

February 12, 2008



**TRANSCRIPT
February 12, 2008**

MONTGOMERY COUNTY COUNCIL

PRESENT

Councilmember Michael Knapp, President
Councilmember Roger Berliner
Councilmember Valerie Ervin
Councilmember George Leventhal

Councilmember Phil Andrews, Vice President
Councilmember Marc Elrich
Councilmember Nancy Floreen
Councilmember Duchy Trachtenberg



February 12, 2008

1 President Knapp,
2 Good morning everyone, if you could please take your seats, we'll get started in a
3 moment. Good morning, thank you all for joining us for a tribute to Marilyn Praisner and
4 her life and service to Montgomery County. Thank you all for joining us. I thank the
5 family for joining us. Before I go through formal welcomes and introductions, what I
6 would like to first do is turn to Reverend Dr. Stephanie Nagley from Saint Luke's
7 Episcopal Church in Bethesda to provide us with the invocation. If you would all please
8 rise and join me in the invocation.
9

10 Stephanie Nagley,
11 Holy one, creator of all that is, be with us today as we remember Marilyn. We give you
12 thanks for having her with us. May those who mourn her loss be comforted. May we all
13 be inspired by her example of dedicated service and her commitment to everyone. As
14 the Council meets together this day, give them energy to meet the demands of their
15 office as they work for the citizens of Montgomery County, and especially as they grieve
16 the loss of their colleague and friend. Given them an awareness of our gratitude for all
17 they do. The work before them is serious, but may they know joy, and that they are not
18 weighed down with burden. We ask you be generous with your wisdom, lavish in your
19 grace, and persevering in your compassion. Encourage us, the people of the county to
20 work with this Council and each other to make Montgomery County better for all people
21 who live, work and play here. And finally, when the day is done, let us rest knowing we
22 have done our best and that is all that is required. Amen.
23

24 President Knapp,
25 Good morning everyone. It is with great sorrow and yet also with great pleasure and
26 great honor that I stand before you in this chamber. I want to start this morning by -- first
27 by thanking Marilyn's family for joining us; Don, Lee and Allison, thank you. Caitlyn and
28 Rachel, Angel, Madison and Camden, thank you all for taking time to come join us. I
29 wanted to build a little bit on where you left us on Saturday at the memorial mass you all
30 shared with us that Marilyn wanted people to celebrate her life, and it is our hope that
31 today that with you and her colleagues past and present that we can spend part of our
32 session sharing some of our thoughts on the last 17 years of what Marilyn has provided
33 to this County. I don't know that we're going to shed a lot of new light on the life of
34 Marilyn. Many people have shared the wholeness of her life during the past week and
35 have done a fabulous job. However, we may be able to give some perspective on how
36 she did the job to which she was dedicated during the last nearly two decades. I want to
37 take a moment to recognize her former colleagues who have come back to join us
38 today, and thank you so much for doing so. We have former Councilmember Bruce
39 Adams, Derek Berlage, Rose Cranka, Scott Fossler, Ester Gellman, John Manke, Tom
40 Perez, former County Executive and Councilmember Neal Potter, Bruce Specter and
41 Mike Subin. Thank you all for joining us today. And also a welcome, and a thank you to
42 Marilyn's staff. We have former staff members Don Downing and Barbara K. Smirk who
43 have joined us; Clair Easley, Pat Brennan, Jackie Hawksford Sherry Kinikin and Joy
44 Nurmi. Thank you for all that you've done and all that you continue to do. What I want to



February 12, 2008

1 do now is turn to our County Executive, who is also a former Councilmember, having
2 served with Marilyn for many years, to provide some comments on both his perspective
3 as County Executive and also his time and also contacts for speaking on behalf of all of
4 the former Councilmember with whom Marilyn has served. So with that I turn it over to
5 our County Executive Ike Leggett. Thank you, sir.

6
7 Isiah Leggett,

8 Good morning. One of the things that we do not have for the County Executives or the
9 elected officials are the standard operating procedures about how you respond to times
10 of tragedy and death. Unfortunately in my brief time as County Executive, I've far too
11 often have had to stand before audiences and talk about the life of one of the people
12 here in Montgomery County, whether it's a police officer, a delegate, colleague Marilyn
13 Praisner, and others in county government. No matter how you look at it, the people that
14 we are talking about are people who provided extremely valuable service to
15 Montgomery County, and they've touched your lives in some form or fashion. And so
16 there is no standard operating procedure of how you do it. It is painful. And it is
17 particularly painful when you have a person that you've worked with and known as long
18 as I've known Marilyn. We had a somewhat unique relationship. And people said to me,
19 well how is it that you and Marilyn get along so well. Well, quite simple. I remember the
20 occasion when we would meet periodically at Sibel's restaurant on 198 in Burtonsville.
21 We had the ritual down pretty well. The waitress would know precisely what we would
22 order before I would even arrive. My immediate response was to come and sit. And the
23 first thing that I would do is simply listen for ten minutes. And then I would talk. And one
24 of the things that you fail to recognize, and people don't see it quite that often, is that
25 Marilyn was a very good listener. She might want to talk first, but she would really,
26 really, truly listen. She listened to her constituents. She listened to her colleagues. She
27 listened to the staff and people who worked for county government. And when you do
28 that and you do the job that she performed so well for so long -- and it is a very difficult
29 job; late hearings. Today at many of our hearings will end probably close to 10:00. But
30 some of the colleagues that you see here and others will tell you that we had hearings
31 in the past that went well beyond 12:00. And Marilyn would continue to do the work day
32 in and day out. Dedication, commitment. It is hard to do that; such a complex job
33 working on behalf of constituents who can be quite demanding in Montgomery County.
34 To do it so effectively, so long, unless you truly love public service. You cannot do that
35 as well as she has done that. And stay oftentimes behind the scenes; not the person
36 whose name is on the bill; not the person whose has gotten out and done the things that
37 gets the publicity at times; but the hard detailed work. The work that far too often we rely
38 upon, because if I didn't know the answer on occasion, I would turn to Marilyn. If I
39 needed a unique perspective about something; I could turn to Marilyn. Not only here in
40 Montgomery County but whether I was traveling around the state as well. The contacts,
41 the people that she knew, the issues. And I'm talking about complex issues, whether it
42 was at MAco, whether it was at some national level, Marilyn had a perspective and
43 answer, one that we can always rely upon. And I learned to simply sit back and to listen
44 to Marilyn and offer my perspective to a person who clearly understood the issues in



February 12, 2008

1 Montgomery County, whether it was land use, technology, education, the environment,
2 you name it. Marilyn. I hope that that telephone call is not a from Marilyn [laughter]. I
3 didn't listen for 10 minutes [inaudible]. I made an announcement the other day, and I did
4 not want -- do not want you to presume that I was somewhat moving fast ahead in
5 terms of the naming of the library and the recreational center, but if you look at the
6 center and you look at the work and Marilyn's involvement, it is part of that
7 responsibility, part of listening to her constituents. We can honor her -- and there will be
8 many honors, but we can honor her with this unique tribute; one that reflects her
9 understanding of the local issues in the community; one that connects very clearly her
10 concerns about education; one that connects her concern about children; and one that
11 has a long standing community value. I believe it is a fitting tribute to Marilyn. And we
12 should recognize a woman of extraordinary talent, one that I call my Councilmember.
13 The person that represented me, not just persons in the district, but all of Montgomery
14 County. She surely will be missed. It is a sad day for Montgomery County, but I think joy
15 is ahead of us because she has laid the foundation for a future that will obviously be
16 bright.

17
18 President Knapp,

19 While we're a very large county, we are also a very small and close-knit county and
20 community. And in many senses we really are a family. And one of our staff in the
21 course of messages that went back and forth during the course of the last week
22 responded back to me on one of her emails saying that the thing that hurts so much is
23 that we just lost our mom and from the council staff, from the council family. So we're
24 trying to govern our own way through. And so with we're going to do now is each of the
25 Councilmembers of the current Council and county family are going to share some
26 thoughts as to their perspectives on Marilyn. And so I will turn to our Council Vice
27 President Phil Andrews for the first remarks.

28
29 Vice President Andrews,

30 Good morning. We will long remember Marilyn Praisner. When the County Council
31 takes up budgets, we will remember Marilyn's excellent probing questions, her focus on
32 detail for which there can be none that's too excruciating, the details, as Marilyn would
33 say are those things that really matter in deciding how things really work. We'll
34 remember when we take up cable matters and Marilyn's insistence that cable
35 companies be held to high customer service standards that they've agreed to meet.
36 When we take up telecommunications issues, we'll remember Marilyn's national
37 expertise and her insistence on investing in the technology to improve productivity. We'll
38 remember Marilyn when we take up growth and development issues and her insistence
39 that we insure that growth pays its fair share of its costs. And we'll remember her
40 insistence that infrastructure be maintained in good repair. We'll remember the work
41 that she did in establishing special protection areas in the Paint Branch and in the upper
42 Rock Creek, and her strong advocacy of environmental protection. We'll remember her
43 support for improved life safety, for fire safety. Her champion of the tax credit -- 50%
44 against the property tax for those people who retrofit their homes with fire sprinklers.



February 12, 2008

1 We'll remember her championship of economic development; leadership in
2 championing into law the economic development fund, which has spurred many, many
3 good projects in this county. We'll remember her concern, her longstanding and deep,
4 deep concern about the welfare of children and her championship of the program that
5 ensures that every baby born in the county gets a good start, gets a check to see how
6 they're doing in those first few months and just after they're born. And we'll remember
7 her focus on education and her concern about the classroom, and making sure that all
8 of our people in this county have a fair opportunity. It's a real tribute to Marilyn that so
9 many of her former colleagues are here today. Marilyn served with 22 councilmembers
10 in her 17-plus years on the Council. Almost as many as Neal Potter. And I'm privileged
11 to have been one of those 22, and to have had the opportunity to serve with Marilyn for
12 over nine years. I may have sat with Marilyn as much as anybody else, because I did
13 serve with Marilyn for eight years on the Management and Fiscal Policy Committee and
14 we met a lot. And we knew, as those who served with her in the last year, that Marilyn
15 was so good, so thorough in all of the issues that came before the Management and
16 Fiscal Policy Committee that by the time Marilyn was done there really wasn't much to
17 add. She was such a professional. She was so thorough and expert in her work on that
18 committee. I want to really recognize Marilyn's excellent and dedicated staff -- Joy,
19 Clair, Sherry, Jackie, Pat -- you did Marilyn proud and by doing the great work for
20 Marilyn, you did the County proud as well. And I want to thank Marilyn's family, and
21 especially Don for lending Marilyn to the County for so many years. Her work took her
22 away from her family and that was a true sacrifice for her. But she did because she
23 wanted to do the job that she thought needed to be done for the County. I can't think of
24 a more conscientious, independent, effective public servant than Marilyn Praisner. She
25 was truly remarkable. She died with her boots on in service to the County that she
26 loved. And as her favorite coffee mug read -- what a gal.

27
28 President Knapp,
29 Councilmember Berliner.

30
31 Councilmember Berliner,
32 It was as though the earth trembled when I learned that Marilyn would soon pass away.
33 A foundational rock upon which so much else depended had given way. A rock that my
34 untrained eyes had only dimly seen, and certainly had not fully appreciated. Just as
35 Marilyn was your family's rock, she was our rock too. And the extent to which I and this
36 institution relied upon her extraordinary mind, incredible knowledge and total dedication
37 is revealed with each passing day. One of the blessings of these last few days is to
38 have heard the stories of family and friends; stories that speak to the life that she led
39 and the gusto with which she led it. I was reminded of something Kazenzakis wrote
40 about Zorba -- that life should be led in such a way that you cheat death by having lived
41 so fully that when death comes there's nothing left to take. And while Marilyn had so
42 much more to give, she was one of those that cheated death by living so fully in her
43 time with us. But what I will miss most is that what you see before us in this wonderful
44 picture -- a smile that radiated joy, and a place where there is on occasion a sharp



February 12, 2008

1 elbow or a sharp word. What makes it enduring and sustainable is the quiet
2 undercurrent of goodwill, good heart, and good spirit that bubbles underneath the
3 surface. Marilyn certainly could be as tough as any, but her goodwill, good heart, and
4 good spirit were with us too. With a squeeze of her hand, my day got better. Ralph
5 Waldo Emerson wrote, "to laugh often and much, to win the respect of intelligent people
6 and the affection of children, to earn the appreciation of honest criticism and endure the
7 betrayal of false friends, to appreciate beauty and find the best in others, to leave the
8 world a bit better, whether by healthy child, a garden patch, a redeemed social
9 condition, to know even one life has breathed easier because you have lived, this is to
10 have succeeded." Marilyn, by every measure on earth and in heaven, succeeded.

11
12 President Knapp,
13 Councilmember Elrich.

14
15 Councilmember Elrich,

16 This is really hard to do. I miss Marilyn every day that she's not been here. And her loss
17 to the Council and the County is more than the vacancy that you're going to see behind
18 us. And when that seat is eventually filled, we're still not going to be able say that
19 someone took Marilyn's place. And I think that's something that all of us recognize.
20 When I first came on the Council, I was still intimidated by Marilyn. And my first entries
21 to her room were sheepish. I would kind of lurk at the door and knock softly and see if
22 she turned around. And I think the first time I went in there and I said, look, Marilyn, I
23 really don't have a secret plan to blow up the County. She laughed and put her hand out
24 to me and said, I know. I know. And things got better from there. One of my first
25 encounters with Marilyn, one-on-one, was when I was tasked from a group of civic
26 people down in Silver Spring and Tacoma Park to contact her and Bill Hannah. And
27 from the preface the month before my instructions, I thought I was being sent to the
28 lions. And they had warned me that Marilyn would not be likely to support what I was
29 going to ask for, but they wanted me to ask anyway. So I called Marilyn and we had a
30 great conversation, and I got her support. And at the end of the conversation I asked
31 her why people in my community had assumed that she would simply oppose this. And
32 she said with complete bluntness, she said, no one ever talked to me about it. And from
33 that point on I made sure that I talked to Marilyn. I never assumed what her vote was
34 going to be or what her position was. I discovered other things about Marilyn. Marilyn
35 was immune from political pressure and bullying. And that's a wonderful attribute. She
36 had a moral ethical and intellectual compass that guided her past all of that. At the
37 same time, I discovered Marilyn's weakness. She was vulnerable to facts, data, and
38 information. We should all have such a weakness. As long as Marilyn thought her
39 position was right, she never stopped defending it. But she always listened to the pros
40 and cons of the argument. And if she changed her mind, her position would reflect that.
41 And one of the things I truly loved and respected about her is that she understood that
42 it's not what we do but why we do it that's important, and the thing to be vested in is not
43 the program or the project, but the intention behind your actions. And if the program and
44 project doesn't get you to the intention, then you need to divest yourself in the program



February 12, 2008

1 and the project and move on and stick to the goal that you set for yourself. That's a hard
2 lesson to learn. And it's a hard thing to hear sometimes. I also learned that Marilyn
3 wasn't nearly as conservative as people made her out to be. I think people confused her
4 concern for fiscal responsibility with conservativeness. But in the time I worked with her
5 I never heard her once argue against the program because it wasn't the government's
6 job to make things better, fairer, to make the environment for our community something
7 that we would all be proud of. She just simply questioned whether everything that was
8 proposed was effective with the most effective use of resources. And Marilyn certainly
9 understood. We didn't have a printing press upstairs and there was no faucet in the
10 back room out of which money would flow. And so she focused very hard on what was
11 effective and what mattered. Marilyn was wonderful to me in this last year. Her office
12 was always open. She would discuss [inaudible] things with me. I like people who
13 discuss [inaudible] things. I could go with data about traffic and turning movements and
14 all of this other stuff. And she cared. She never once preceded a vote with the comment
15 that she didn't understand what she was voting on. All of us who sat here in the
16 committee with her or on the Council with her knew that we weren't ending a discussion
17 until Marilyn understood. And if it took all day and if it took postponing and bringing
18 somebody back two weeks later to another committee meeting, that's how long it would
19 take until she got the clarity that she wanted. And I think that's an important and
20 invaluable attribute. Marilyn and I also talked about human things on occasion. We are
21 both grandparents. And so we could talk about our grandchildren. And that was fun; it
22 was a real break from the kind of stuff that we, you know, normally talked about in the
23 offices upstairs. We were both Yankee fans. And one of our last conversations was
24 looking forward to the Giants crushing the Patriots on Sunday. And I kind of wished I
25 could have called her up and talked about that. We talked about national and global
26 politics. And she had an understanding of those things and interest in those things that
27 matched her interest and passion for those things that are local. Marilyn is going to be
28 missed in more ways than one, not just a person but what she brought to the table and
29 to this dais; her commitment and her strong defense of the communities; and her
30 recognition that the goose that lays the golden egg in Montgomery County is the
31 citizens of Montgomery County. It's a lesson that I hope all of us will learn. I'm going to
32 miss her, and it's like you have a one-person brain trust. That brain trust is gone. She's
33 going to be impossible to replace. And I appreciate everything I got from her over the
34 last year. Thank you.

35
36 President Knapp,
37 Councilmember Ervin.

38
39 Councilmember Ervin,
40 I thought long and hard about what I would say this morning. So much has been said
41 about Marilyn, and so much will continue to be said about Marilyn. And for me, Marilyn
42 was a friend and a mentor. And long before I was elected to the County Council, she
43 looked after me, because I followed in Marilyn's footsteps as a member of the Board of
44 Education. And I remember coming to the Council, and Marilyn reaching out to me and



February 12, 2008

1 making me feel part of the team. But above all to me, Marilyn was a woman of grace,
2 dignity, elegance, and eloquence. So I found a poem written by a great poet, Maya
3 Angelou. And I think Marilyn would've liked it, so I'm going to share this poem for
4 Marilyn. It's called "When Great Trees Fall." "When great trees fall, rocks on distant hills
5 shudder. Lions hunker down in tall grasses and even elephants lumber after safety.
6 When great trees fall in forests, small things will coil into silence, their senses eroded
7 beyond fear. When great souls die, the air around us becomes light, sterile, rare. We
8 breathe briefly. Our eyes briefly see with a hurtful clarity. Our memory suddenly sharp
9 and examines gnaws on kind words unsaid, promised walks never taken. Great souls
10 die and our reality bound to them takes leave of us. Our souls dependent on their
11 nurture now shrink wizened. Our minds formed and informed by their radiance fall away.
12 We are not so much maddened as reduced to the unutterable ignorance of dark, cold
13 caves. And when great souls die, after a period, peace blooms slowly and always
14 irregularly. Space is filled with a kind of soothing, electric vibration. Our sense is
15 restored never to be the same whispered to us. She existed. She existed. We can't be
16 and be better before she existed."

17
18 President Knapp,
19 Councilmember Floreen.

20
21 Councilmember Floreen,
22 I really can't believe she's gone. It's an easy burden that another carries. I grew up in a
23 Swedish home and I heard again, and as I think about Marilyn, it's hard to forget it.
24 About eight years ago, Marilyn and I sat down at Bread and Chocolate in Chevy Chase
25 to talk about women in leadership. At that time, Marilyn was already among the longest
26 serving women on the County Council. And she spoke passionately about women
27 taking their rightful place at the table. That conversation took to action, and that action
28 became what we all know as Montgomery Women, a group that has developed and
29 nurtured dozens of women -- female leaders over the years. As I look at the women in
30 leadership positions throughout the County, I applaud her for understanding and
31 accepting the burden of helping to promote and mentor women. In this business we're
32 all obligated to examine all sides of the issues before us, and sometimes that leads to
33 spirited debate. And we all had such debates with Marilyn. I spent hours, hours, hours in
34 the PHED Committee engaged in really challenging conversations with her. We both
35 loved the policy debates of land use. And it was such an intellectually stimulating
36 experience. In the end, she and I agreed really more than we disagreed. And I always
37 respected her intelligence and work ethic. I'm reminded of the words of Dorothy Day,
38 founder of the Catholic Worker Movement who said, "People say what's the sense of
39 our small effort? They cannot see that we must lay one brick at a time, take one step at
40 a time. No one has a right to sit down and feel helpless. There's too much work to do."
41 That's how I'll best remember her, a woman who always rolled up her sleeves and got
42 to work. She wasn't afraid to take an unpopular decision -- position. In fact she validated
43 that. She made it possible for me to be here. I'll miss her. We'll all miss her.



February 12, 2008

1 President Knapp,
2 Councilmember Leventhal.

3
4 Councilmember Leventhal,
5 Marilyn was a canny and effective politician, and she wasn't embarrassed to be called a
6 politician. Marilyn and I went out to lunch one day in 2004 and we realized that we felt
7 the same way about the process by which the Council was making available grants to
8 nonprofit groups. It was too political, and it relied too much on personal relationships
9 between Councilmembers and leaders of certain politically influential communities. And
10 as politicians together, we decided to change the process to make it less political and to
11 open it up to all applicants and provide greater fairness and transparency. It was good
12 public policy, and we got nothing but grief for it. And we continue to get nothing but grief
13 for it. I have a stack of papers in my office with yellow stickies on them that say,
14 "George, read this, Marilyn." And I don't if I'll ever get around to reading all of them. But
15 every one that I ever did get around to reading was worth my time. Marilyn used to
16 attend conferences. And not only did she take the time to attend the conference, but
17 she would send the rest of us notes about all of the sessions that she had attended and
18 let us know that there were stacks of documents in her office from all of those
19 conferences that if we wanted to look through them she thought it might be useful to us.
20 I went to New York with Marilyn. I was Council President in 2006, and she was Chair of
21 the Management and Fiscal Policy Committee; and that was something that she looked
22 forward to each year to talk to the bond-rating houses about what a great county we
23 have and how sound and solid we are, and how worthy we are of investments, and why
24 we should maintain our AAA bond rating. She did it every year as Chair of the MFP
25 Committee, and then last year when she was Council President. And I actually
26 wondered since this year she was neither Chair of MFP Committee nor Council
27 President how she was going to figure out a way to go on that trip to New York. But that
28 really doesn't matter anymore. I was Council President on that trip, but she wrote me a
29 script. I was pretty confident, you know, I pretty much knew what I wanted to say but
30 she made sure I didn't make any mistakes. In the summer of 2006, Marilyn had an
31 opponent who was criticizing her. She won, I think, by about 80% or something. But her
32 opponent was criticizing her and trying to find things negative about her, and one of the
33 things she called me up and she said, my opponent is saying that I can't get along with
34 anyone. So will you please give me a quote that says different? And I was very happy to
35 endorse her reelection. I was the Council President and I gave her a quote saying how
36 much I enjoyed working with her and her sense of humor and her dedication to helping
37 people. That was a pretty polarized election, but she and I endorsed each other. I really
38 appreciate that. We ran together. We ran together in Leisure World and we ran together
39 in Riderwood Village; and we both carried District 4 overwhelmingly. And I appreciated
40 that. Marilyn was so much more than 1/9th of this body, and each day -- several times
41 each day I think about things that I still need to run past Marilyn. I'm very glad to see
42 here her former colleagues who contributed so much to the history of Montgomery
43 County; and I'm very glad, and I congratulate County Executive Ike Leggett for his
44 decision to name the Fairland Library and the Fairland Community Center the Marilyn



February 12, 2008

1 Praisner Center. I was one who thought we might name the Rockville Library for former
2 County Executive Doug Duncan and I discussed that with Marilyn. And she agreed with
3 me, and we strategized (sic) together about how to honor all the former County
4 Executives -- Mr. Potter is here, and there's a facility we want to name for him. And we
5 came up with a list of how to do that. And that's one more thing that Marilyn and I didn't
6 get to finish together, but I'm going to continue working on that because Marilyn
7 understood the place that she occupied and the place that all of her colleagues
8 occupied in the history of this great county. Now you know I endorsed her in this
9 campaign and said that she was easy to get along with and that I enjoyed working with
10 her. The truth was she wasn't always easy to get along with. I used to say the great
11 thing about Marilyn is she knows everything; and the really difficult thing about Marilyn
12 is she knows everything. Very early on in my term a distinguished pastor, a prominent
13 pastor died, and I rushed to -- Mike Subin was Council President at the time, and I said
14 listen, I want to deliver a brief eulogy for this very important person in the community.
15 And what I learned was that Mike Subin and Marilyn Praisner had been working for
16 quite some time to pass legislation that would enable this distinguished clergyman to be
17 buried on the grounds of his church -- the church that he had founded. And they hadn't
18 gotten the legislation passed yet. And they thought that maybe if we just didn't tell
19 anyone that he had died that we could get the legislation through and bury him before
20 anyone noticed. I didn't agree with that strategy. I thought you couldn't really keep the
21 news from people very long. But as I remember that story it made me realize how
22 effective Marilyn was in some ways and then the things that she tried to control that she
23 couldn't control. And death clearly was the one thing she couldn't control. She wasn't
24 prepared for it, and she didn't prepare us for it. And I don't think she really
25 acknowledged, at least not to her colleagues, that it was a possibility. And so I'm sorry
26 that we didn't have more time to say the things to her that we're saying here today. I'm
27 sorry that we weren't prepared. Her death came as a great shock. And I'm sorry that I
28 couldn't tell her to her face how much I admired her. But I will share with you the last
29 meeting I had with her, because I'm really proud of it and I'm really happy about it. She
30 came -- I had heard actually -- Ike Leggett had told me that she was going to have heart
31 surgery. She wasn't telling people. She was very private about her health. And so I
32 asked her that day, Tuesday, a couple weeks ago, how are you? How are you feeling? I
33 didn't get into details, because she really didn't seem to want that. But she came around
34 to my office at the end of the day, and she said, you know, I guess you know I'm having
35 surgery tomorrow. And I said yes, Marilyn, I know, and I'll be thinking of you. And she
36 said, well, don't worry about it. I just want you to know that I'm going to be back home
37 on Friday, and I'm going to be monitoring everything that goes on just like you did,
38 George. I'm going to be calling in to committee meetings and I'm going to be working on
39 them by phone. And I'm going to be -- I've got a Blackberry now. I'm going to be reading
40 my Blackberry; I'm going to be reading my emails. I said Marilyn, don't. Please don't.
41 Please just rest and heal. And I told her how good the cardiac unit at Suburban was. I
42 had had some time at Suburban myself recently, and they took good care of me and I
43 knew they would take good care of her. And I reassured her that everything was going
44 to be fine. And I said now let me give you a hug. And I gave her a hug and that's the last



February 12, 2008

1 time that I ever saw her. So I feel good about that. And if she were here, I know she
2 would feel good about all the hugs and love that she's getting from all of us. May her
3 memory be a blessing forever.

4
5 President Knapp,
6 Councilmember Trachtenberg.

7
8 Councilmember Trachtenberg,

9 Well, I can just hear Marilyn right now reminding me that I should've brought my stool.
10 She'd be happy to know I have it in my garage I just haven't gotten around to bringing it
11 here yet. Marilyn and I often shared that it was actually a gift to be short because that
12 meant in a photo you got to go up front; and having a last name that began with a letter
13 at the end of the alphabet was also a gift because it meant you got to close. Marilyn was
14 my best Council friend and my mentor. And I've been very emotional this past week,
15 and I've cautioned my friends it's not about my estrogen level, it's really about the
16 incredible pain that I feel in losing Marilyn. Marilyn and I were peas and carrots. While
17 we had different life experiences and oftentimes different political views, we were the
18 best of friends, and we really complemented each other in action and our regular MFP
19 conversations, discussions were testament to that. And I will be eternally grateful to
20 Marilyn for placing her trust and confidence in me by naming me the Chair of that
21 committee in 2006 right after the election. Marilyn toiled in that garden for over 16 years.
22 And she believed that the MFP Committee was where all the action was. And I can
23 honestly say after one full year of reading large volumes of fiscal material, experiencing
24 the controversy over development districts, and facing the joy and pain of collective
25 bargaining agreements in the months ahead, I would agree with Marilyn's assessment --
26 MFP is really where all the action is. Over the years that I knew Marilyn, we reminisced
27 over our large Italian and Jewish families and our growing up in New York and New
28 Jersey, across the river from one another. We shared notes -- notes on how to prepare
29 meatballs and matzah balls, Marilyn's beloved New York Yankee dynasty and why
30 Mickey Mantle was King, and the amazing New York Mets, their 1969 championship
31 season a fluke fueled by Gil Hodges, in Marilyn's estimation. We talked about the fact
32 that we were both the first granddaughters in the family to graduate from college and
33 with honors no less. And we always talked about her first job in the Central Intelligence
34 Agency and my last one as a psychotherapist. We talked about how it provided us both
35 with the expertise to skillfully question others and get to the heart of the matter. And
36 wasn't that all what Marilyn was about? One defining experience that bonded us as
37 friends was our appreciation that a strong Madonna provided the nucleus for the
38 functional and happy family. And Marilyn was that force, that woman of valor here at the
39 County Council. Marilyn was hard-working, had a giant brain, and possessed an
40 amazing heart. She had a fine work ethic and very little patience for selfishness and
41 mean spirit. Marilyn understood the value of open political debate and the significance
42 of collegial interaction. And I would hope in the weeks and months and years ahead that
43 this body will honor her legacy of good government and compassion in the work that we
44 do together, and the operative word there is together. Marilyn will remain forever in my



February 12, 2008

1 heart, and I know her spirit will endure in the many acts that her friends and colleagues
2 perform in her name, the Honorable Marilyn J. Praisner.

3
4 President Knapp,

5 Well, as you can see and as you've heard, Marilyn took her governing seriously. She did
6 more work than all of us and -- all of us. Her legacy is clearly one of leadership, staunch
7 and vocal support for issues people and the policy that she believed in. She also knew
8 that it was more about -- it was more than what happened just in this county; it was
9 important to make sure that while things here were important, but that we also lived in a
10 bigger world. And she focused on things at Maryland Association of Counties, at the
11 National Association of Counties, at COG, building those relationships. And she knew
12 Annapolis better than any delegate or senator. We will certainly miss her there. A
13 couple of years ago the Washington Post had us submit little profiles about ourselves
14 and Marilyn's included a response to the question, what is the impression that people
15 have here would most like to change. And in there she said not everything is about
16 process. I'm not sure she would want to change that. She knew it was more about
17 process it was about good government and really the death of policy. As you heard
18 when pressed on an issue, she was defiant, she was -- her determination was incredible
19 and tenacious. I found that out. Mr. Subin, when I first got here, was the person who
20 was sent down to argue with Marilyn. We start our budget process last year, and we
21 had the usual types of discussions, and I looked around trying to figure out if it was time
22 to go see Marilyn and I realized I had to go. So that was fun. As you've heard, she also
23 leaves behind a very strong tradition of female legislators, building upon those who
24 have gone before her and clearly establishing a legacy for others to follow. And as a
25 father of two daughters I am greatly appreciative of that as a person I can point to for
26 them to look to as a leader in our community that they can focus their attention on and
27 grow from. It has clearly been an emotional week, but I dare say an aspiring one
28 listening to the stories I've heard today and all the stories I've heard over last week.
29 Marilyn's favorite quote from the Post piece was, children of the living message we send
30 to a time we will not see. The work on behalf of our children and her grandchildren and
31 our grandchildren is certainly one that will last for a long time. Marilyn and her life are
32 worth celebrating and her legacies are worth living. In her last year as Council President
33 she dubbed this Council a serious council, something that she was quite proud of, and
34 something I hope that we will continue to carry with distinction as we carry her memory
35 forward. But I also think she'll be proud and pleased to hear us say in honor of her
36 memory that let's get to work. There's a big county out there. There's a big state out
37 there and they're looking to us to try and help lead it with her legacy as our guidance.
38 So with that, our session today is concluded. I want to thank all of you. Thank Don, the
39 entire family for coming to join us. On behalf of our Council staff, thank you for your
40 participation. I thank the Council staff, Linda Lauer in particular for pulling all of these
41 pieces together. But this has been an incredible week and a half, one none of us had
42 anticipated going through, but one that we've all worked through well together and in
43 keeping Marilyn's legacy in our memory, we'll continue to work together to make this
44 County and community a great place. Thank you all very, very much for joining us. And



February 12, 2008

1 now in the true Italian tradition, we have a whole lunch waiting for everyone to come
2 join. So thank you very much for coming. And please join us for food and for reception
3 and fellowship out in our conference room. Thank you very, very much.
4
5

February 12, 2008



TRANSCRIPT
February 12, 2008

MONTGOMERY COUNTY COUNCIL

PRESENT

Councilmember Michael Knapp, President
Councilmember Roger Berliner
Councilmember Valerie Ervin
Councilmember George Leventhal

Councilmember Phil Andrews, Vice-President
Councilmember Marc Elrich
Councilmember Nancy Floreen
Councilmember Duchy Trachtenberg



February 12, 2008

Council President Knapp,

This is a public hearing on resolutions to amend the Montgomery County Public Schools FY07-12 Capital Improvements Program,

and to transfer \$9,300,000 from unexpended project balance within the FY08 Capital Budget to Unliquidated Surplus from: Fallsmead Elementary School Addition; Luxmanor Elementary School Addition; Pyle Middle School Addition; Stedwick Elementary School Addition; Travilah Elementary School Addition; Wayside Elementary School Addition; and Westland Middle School Addition. An Education Committee worksession is tentatively scheduled for Tuesday, February 19, 2008 at 2:00 p.m. Persons wishing to submit additional comments should do so by the close of business on February 13, 2008 so that individual views can be included in the material which staff will prepare for Council consideration. Before beginning your presentation please state your name clearly for the record. There are no speakers for this agenda item. This concludes that public hearing. Good afternoon ladies and gentlemen. This is a public hearing on a Resolution to amend the MCPS FY07-12 CIP and transfer \$10,363,000 from Unliquidated Surplus to: Clarksburg Elementary School number 8; Current Replacements/Modernizations; Bells Mill Elementary School; Cashell Elementary School; Walter Johnson High School; and Richard Montgomery High School. An Education Committee worksession is tentatively scheduled for Tuesday, February 19, 2008 at 2:00 p.m. Persons wishing to submit additional comments should do so by the close of business on February 13, 2008 so that individual views can be included in the material which staff will prepare for Council consideration. Before beginning your presentation, please state your name clearly for the record. We have no speakers for this hearing. Good afternoon ladies and gentlemen, this is a public hearing on a Special appropriation to the MCPS' FY08 Capital Budget and amendment to the FY07-12 CIP, Current Replacements/Modernizations in the amount of \$300,000 for Richard Montgomery High School artificial turf pilot project. An Education Committee worksession is tentatively scheduled for Tuesday, February 19, 2008 at 2:00 p.m. Persons wishing to submit additional comments should do so by the close of business on February 13, 2008 so that individual views can be included in the material which staff will prepare for Council consideration. Before beginning your presentation please state your name clearly for the record. We have two speakers, Janice Sartucci, speaking as an individual and Marci Calantonio, speaking as an individual. Come on up. Go ahead.

Janice Sartucci,

Thank you. Good afternoon my name is Janice Sartucci. I'm actually speaking on all three of the topics you had this afternoon.

Council President Knapp,
Great.

Janice Sartucci,

But, you've lumped me in here in this one so there will be a little bit of overlap. My first point is, how can the Superintendent and the Board of Education declare MCPS CIP



February 12, 2008

1 funds surplus before a project is completed? Let's take the Wayside Elementary School
2 project as an example. How can there be surplus funds from a project that's only 55%
3 complete? How can any rational manager possibly assume that no additional funds will
4 be needed and that \$600,000 of money planned for this project can be diverted at this
5 point in time? We know that this is not always a good decision on MCPS's part. We
6 have a couple examples. Richard Montgomery opened their doors with elementary
7 sized lab tables and chairs in their science labs for high school students. There are
8 currently no plans to remedy the 11 science labs at Churchill High School that are still in
9 not usable condition after their modernization. We also know that Rockville High School,
10 the tennis courts were undersized and therefore, not playable. These are just a few
11 examples of MCPS CIP projects that still have outstanding CIP fund needs. If, in fact,
12 there is a surplus, what project is in the queue next? Let's assume that there is surplus
13 CIP money that exists. How could any surplus funds go to a new project that has never
14 been vetted through the MCPS CIP process when the MCPS CIP, I can't say that,
15 clearly lists hundreds of preexisting projects in the CIP pipeline? As just as an example,
16 let's take a look at the bathroom renovation list. I've attached that. Do you realize that
17 this list only shows the schools that are not in line for modernization? If a school is
18 getting a modernization in the next 20 years they were not included in the list of
19 bathroom modernizations. Is that how you maintain your home? Gee, we might move in
20 20 years so let's not fix the toilet. If there is surplus CIP money it needs to go to that list
21 today. Our kids need to flush. After all bathrooms are made usable in Montgomery
22 County let's take a look at playgrounds. There's a 50-year waiting list for playgrounds,
23 yet the priority now is to give a County football field away to a private organization and
24 that jumps to the top of this list without any feasibility study, without any notice to the
25 public, no, before the BOE vote, without any community input, without any bids, without
26 any discussion of benefits, concerns or issues, without any feasibility study. And why
27 does the Northwood principal also think his school is in line for artificial turf? Are there
28 more of these deals in the wings? And I've attached information on that. Why weren't
29 they part of the MCPS CIP submission? We are here today witnessing the Board of
30 Education asking for a pot of money that doesn't have any parameters on it. There is no
31 contract, no idea what the project might actually cost, no contingency for where the
32 money goes if the project does not proceed on schedule. As an example of that
33 situation, last summer, the Superintendent took money and put it into the budget for
34 graduations. What happened to that money? Three schools have been allowed to
35 schedule their graduations for Comcast Center. Three have not. The money was
36 appropriated, where did it go? And I can tell you that I have tried to pursue that and
37 nobody in Montgomery County Government cares where the graduation money venue
38 went that, not the community Superintendents, not the Superintendent, not the Board of
39 Education, not the Inspector General. So once you all give your money over to MCPS,
40 taxpayers have no guarantee that the money will be used for the designated purpose.
41 And make no mistake, our kids are watching. They are real clear on the fact that there
42 are no consequences for ignoring laws, policies, or procedures in Montgomery County.
43 Thank you.
44



February 12, 2008

1 Council President Knapp,
2 Thank you very much. Ms. Calantonio.

3
4 Marci Calantonio,
5 Thank you. My name is Marci Calantonio. I'm a lifelong resident of Montgomery County
6 and I currently live in Poolesville with my family. I come before you to speak.

7
8 Council President Knapp,
9 Sorry.

10
11 Marci Calantonio,
12 Oh, I'm sorry.

13
14 Council President Knapp,
15 Your microphone. There you go. Thank you.

16
17 Marci Calantonio,
18 I'm actually not here to speak about funding or money for this Richard Montgomery
19 artificial turf field, but what I do is come before you to speak about is health and safety
20 concerns regarding the artificial turf field that's in the planning stages. I want to ask you
21 today if the type of turf and infill to be used has been determined and if so, if it is an
22 artificial turf field that has rubber infill, I have a lot of information about the possible
23 health and safety issues of rubber crumb infill. I hope you will look over the information
24 which I presented to you all in a folder please, before you agree to fund artificial turf
25 fields for any Montgomery County public school. Artificial turf is comprised of grass
26 which is polyethylene or polypropylene fibers that are woven like a rug and the material
27 that is raked in between the grass fibers that creates a cushion, is referred to in the
28 industry as infill. It's approximately 100 tons of ground-up rubber on each artificial turf
29 field. On a hot summer day, the rubber in crumb infill can heat up to over 140 degrees
30 and out gases toxic compounds into the air, some of which are known to be
31 carcinogens. Hazardous materials from the rubber crumbs are leached into ground
32 water. And dust particles from these crumbs are easily inhaled. There is no barrier
33 between rubber crumb and the athletes playing on the fields. Skin rashes, nasal and
34 eye irritations from these corrosive compounds, as well as playing in excessive heat are
35 real conditions. Please keep an open mind and please read the attached studies
36 regarding the toxicity of the infill and the temperatures that the materials can reach
37 during playing time and I think you will find, as I did, that there is some question as to
38 whether this type of field is totally safe for our children to play on. There are alternative
39 infills in the market today. STF infill, which is Special Turf Filler, for one, is a safe and
40 sanitary synthetic turf infill which is not toxic and free from heavy metals, wastes, steel,
41 and fiberglass byproducts. It does not heat up to the temperatures that rubber does.
42 You all have literature on that testing if you would like to pass it on to someone who,
43 appropriate people. I would also like to address the injuries to athletes playing on
44 artificial turf. Skin abrasion is the largest concern as artificial turf is much more abrasive



February 12, 2008

1 than grass, and turf wounds are the exact skin injury that allow for MRSA transmission
2 and contraction. I am particularly concerned about that as my son John Calantonio,
3 who's a ninth grader at Poolesville, who contracted MRSA this past fall. Professional
4 NFL players average 2 to 3 turf abrasions per week on artificial turf. There's, high school
5 football players in Texas have 204 artificial turf fields in their 134 high school stadiums
6 and they average 16 times higher than the estimated national average for MRSA
7 infections. I'm curious if there is a relation. Those studies were conducted by the Texas
8 Department of State and Health Services. They also reported more lower limb injuries
9 reported with knee and ankle injuries, due to instability of the turf and cleat traction and
10 these same injuries were reported by soccer players. Professional football players were
11 polled in a survey regarding playing surfaces and 72% said they would prefer to play on
12 grass fields to prevent injury and 65% said that playing on artificial turf contributes to
13 more injury, 74% said artificial turf causes more soreness and fatigue when it's played
14 upon. So, we need to be the voice for our children who don't have a say in this matter,
15 and with that being said about the potential risks for artificial turf, I want to address the
16 upkeep of artificial turf and namely, sanitizing. There needs to be a regularly scheduled
17 maintenance program that needs to be adhered to and I'm curious to know if all
18 concerned are knowledgeable about that. As organic matter such as airborne dirt,
19 blood, sweat, spit, skin, and food allow bacteria to proliferate and live, the artificial turf
20 will get covered with these things and it needs to be routinely disinfected.

21
22 Council President Knapp,
23 Thank you very much.

24
25 Marci Calantonio,
26 Thank you. It's so hard to say what you need in time.

27
28 Council President Knapp,
29 I think you'll have a couple of questions.

30
31 Marci Calantonio,
32 Okay.

33
34 Council President Knapp,
35 So, Councilmember Floreen?

36
37 Councilmember Floreen,
38 Thank you. Ms. Calantonio.

39
40 Marci Calantonio,
41 Yes.

42
43 Councilmember Floreen,
44 Is that.



February 12, 2008

1
2 Marci Calantonio,
3 Calantonio.

4
5 Councilmember Floreen,
6 Calantonio, have you presented this information to the Board of Education?

7
8 Marci Calantonio,
9 Well, I have presented this information since September on with regard to antimicrobial
10 technology and new things we can be doing on the insides of our school buildings to put
11 down these agents that will not allow and inhibit mold, mildew, fungi, bacteria, all these
12 things to grow, I had presented this to Pam Montgomery, who, I believe, the emails also
13 went to Mr. Lavorgna and I had let them know of my concerns and my excitement about
14 findings about these products as I was coming across this, because I've become very
15 educated in the past 6 or 7 months.

16
17 Councilmember Floreen,
18 Yeah. Regretfully.

19
20 Marci Calantonio,
21 And I talked to many professionals about this who would be more than happy to give
22 input before we make a decision. And this, just so you know, the, I was asked to come
23 here today about health and safety. Never did I think when my son got injured I'd be
24 here to talk about artificial turf, but the truth be told is, this is not a new study, this is a
25 national study, international study.

26
27 Councilmember Floreen,
28 Yeah.

29
30 Marci Calantonio,
31 Italy, Sweden, Germany, all these countries have been looking at these same factors
32 and topics about the recycled rubber, not to mention the environmental carbon footprint
33 and how do they get rid of them when it's time to throw the rubber away. But I just
34 wanted to bring up the other choices, the synthetic infill that is non-toxic, it's uniform, it's
35 a silicone coated, acrylic coated.

36
37 Councilmember Floreen,
38 Sure.

39
40 Marci Calantonio,
41 Bead that can be scooped out and reused if we do go to artificial turf. I'm more
42 concerned about health and safety.

43
44 Councilmember Floreen,



February 12, 2008

1 Yeah. Absolutely. Well I guess I would ask that the Education Committee take this up
2 with the Superintendent and the Board of Education. And I would ask that we get a
3 response, Steve, from Mary Bradford, from the Parks Department. The would be the, I
4 think, the ones maintaining this and overseeing this, right, Bill? Whatever. We're looking
5 at this within the Parks system so if you can work with Marlene and make sure that we
6 get a response on this subject. It's very helpful to, appreciate the unintended
7 consequences of work we're looking at so thank you very much.

8
9 Marci Calantonio,
10 Thank you very much for taking the time to review it all. Appreciate it.

11
12 Council President Knapp,
13 Thank you. Don't run away. Councilmember Andrews.

14
15 Councilmember Andrews,
16 Thank you Mr. President. Thank you both for coming out and testifying. I'm sure there
17 are other things you need to do as well but we appreciate you taking the time to do this.
18 Ms. Sartucci, you mentioned about the issue about not being able to get an answer at
19 this point about the use of the Comcast Center for graduation for Churchill High School.

20
21 Janice Sartucci,
22 Three schools.

23
24 Councilmember Andrews,
25 Three schools, so, yeah, I think that's worth inquiry from the Council to find out and get
26 a response from the school system about, you know, what the situation is.

27
28 Janice Sartucci,
29 Maybe the list in here of the order of the schools, how many schools had over 500
30 students.

31
32 Councilmember Andrews,
33 Uh-huh.

34
35 Janice Sartucci,
36 And so you can see, Blair is scheduled for Comcast, then Wooten has 602 seniors,
37 McGruder is scheduled for Comcast, and Gaithersburg has 529, then Sherwood is
38 scheduled for Comcast and then Churchill has 515 seniors.

39
40 Councilmember Andrews,
41 Right. So it would be helpful I think if we can find out, you know, what the thinking is
42 behind the current decision by the school system. Thank you.

43
44 Council President Knapp,



February 12, 2008

1 Thank you. Councilmember Leventhal?

2
3 Councilmember Leventhal,

4 I don't have a whole lot more to say that is different from what Ms. Floreen said. But I
5 wanted to thank Ms. Calantonio for her testimony. We had a discussion a few months
6 ago in the Health and Human Services Committee about MRSA and staph infections
7 and what we, my take away from that, others may have gotten a different message, was
8 that the current risk of contracting these infections is not any greater than it ever was, it
9 is just something that we always need to be aware of, and that there are, you know,
10 certain athletic equipment and other things need to be wiped down frequently and that
11 we need to maintain a clean and sanitary environment. What you are describing is a
12 new element and that's important to keep that in mind so we may be, there was, there
13 was a spate of these MRSA infections here in the region a few months ago and the
14 media paid a lot of attention to it, and the question was raised, well, why are we having
15 an epidemic of these MRSA infections, in fact, we're not having an epidemic of MRSA
16 infections. They occur and they have occurred and they continue to occur, and it's an
17 issue of cleanliness and maintenance and awareness. With respect to artificial turf
18 though, that's not something we have had before in school athletic fields and so I just
19 wanted you to know that I heard your testimony and didn't, don't consider it pro forma, I
20 hope your son recovers promptly and I do, as Ms. Floreen did, just want to say to the
21 Education Committee that this whole transaction at Rockville High School may be a
22 good idea but it's different, it's an unusual transaction, and it's going to merit more
23 discussion, I think both in committee and before the full Council than other routine
24 special appropriations that come up in the course of the year. It speaks to another larger
25 issue that I know Janice Sartucci has been interested in, which is when the school
26 system is involved in a variety of entrepreneurial approaches that generate new
27 revenues and new royalties, what happens to that income stream? So, on the one hand,
28 there is the important issues of whether playing on an artificial turf field is safe for the
29 athletes, and I'm grateful that you brought that up, and I certainly, you have highlighted
30 that for me, and I appreciate that.

31
32 Marci Calantonio,
33 Thank you.

34
35 Councilmember Leventhal,

36 But the reason that this artificial turf field is being installed, is for a new revenue
37 generating opportunity for the school system that really deserves some thought and
38 understanding insofar as what happens to that revenue, what does it get programmed
39 into, how does it affect our appropriations to the school system, and that professional
40 sports opportunity is not the only entrepreneurial effort going on within the school
41 system that I think the Council needs and deserves to know a lot more about.

42
43 Council President Knapp,



February 12, 2008

1 Just before I turn to the other two questions, the Education Committee is very interested
2 in looking into this issue because it does raise a lot of issues, as you point out, as it
3 relates to community's public facilities, how the revenues are tracked, how the revenues
4 are generated, prioritization as to who gets to use which field when, how does this play
5 out as precedent for other fields, there are a number of issues that are raised here that
6 we need to understand before this moves forward. So we'll have a lengthy discussion.
7 So I just want people to know that, and I appreciate the issues, Ms. Sartucci that you
8 have raised as it relates to the high school stuff in particular, because we will follow up
9 on that, or the graduation, we will follow up on that as well. So, this will be a busy
10 Education Committee meeting. Councilmember Trachtenberg.

11
12 Councilmember Trachtenberg,
13 I thank you President Knapp. Just a general comment, again, I very much appreciate
14 the testimony that both of you provided this afternoon, and as Councilmember
15 Leventhal indicated, a few months back we did have a conversation within the HHS
16 Committee about the MRSA outbreak and what the school system was doing in
17 response, and obviously, there was a recognition that it was very much related to the
18 overuse of antibiotics, which is sort of an undiscussed aspect of really what the
19 challenges are. And I would just state to colleagues and to those that are here this
20 afternoon that there is an ongoing and increasing conversation within the public health
21 community about building standards and the fact that materials very much have impact
22 on respiratory function, even something as simple as a skin infection or a bad
23 complexion, oftentimes can be related to regular contact with different materials and
24 substances, even cognitive function, in some studies, has been shown to decrease with
25 exposure to certain chemicals and materials. So, what I would ask staff to do in
26 preparation for any discussion that happens within the ED Committee is go through the
27 American Public Health Association website. There's an environmental health section,
28 and there have been some excellent presentations at recent annual meetings around
29 this very topic and the fact that children in school settings are more and more exposed
30 to toxic substances. And so, I would ask that we go through the literature. I would be
31 happy to make myself or Dr. Beyer from my staff available, because I do think it is
32 relevant to talk about this as we entertain renovations and even construction of new
33 facilities. Thank you both for being here this afternoon.

34
35 Council President Knapp,
36 Thank you. Council Vice-President Andrews.

37
38 Councilmember Andrews,
39 Thanks. Just a follow-up question to Ms. Sartucci. What's, what are the alternatives
40 facing the schools if the Comcast Center is not available for graduation for the large
41 schools with over 500 students graduating? What's, what is the capacity difference?

42
43 Janice Sartucci,
44 It's called pick your grandparent.



February 12, 2008

Councilmember Andrews,
Pardon?

Janice Sartucci,
It's called pick your grandparent. I mean, we have, I talked with one family, they have a mother and a father, three siblings, and the grandparents are coming in from Korea. This is from the Wooten community, and they are flying in come hell or high water because this is an important event and the mother told me that she's going to stay home because she doesn't have enough tickets to let the grandparents attend.

Councilmember Andrews,
Right.

Janice Sartucci,
So, at DAR, you get a limited number of tickets and although, I have been told that people counterfeit tickets, they sneak in, I can't speak to that, I've never been a senior parent before.

Councilmember Andrews,
Right. Well the point is it's, graduation is a big deal, and it's important.

Janice Sartucci,
I thought it was the whole reason we were here. The name of the game in education was to get to graduation.

Councilmember Andrews,
Yeah, okay. But we'll work at getting an answer for you.

Janice Sartucci,
Thank you very much.

Council President Knapp,
Ms. Calantonio, you have provided all, everything you've given us, you provided the school system?

Marci Calantonio,
Actually, I have not provided all of this detail.

Council President Knapp,
Okay.

Marci Calantonio,



February 12, 2008

1 With regard to what I have drummed up about the studies with regard to artificial turf. As
2 far as my position on giving what Councilmember Leventhal said to me was, we are
3 talking about new things. The one thing I just, because you have me here and I have
4 you captive, so I do want to say, I just want to say this because this is something I'm
5 really trying to get a public message out to warn people and more parents. First of all
6 this is a very serious issue with health. It's not, nothing I had ever seen and when we
7 say that this is an issue that is not new, we are correct. As I was pointed out by my
8 infectious disease doctor we had an epidemic of staph in the 1920 s when we had no
9 antibiotics. It's the same principal. The scary part is, we have one or two antibiotics left
10 to treat people, people, and what we have is basically data that we're going on from the
11 2005 research study that the CDC has put out that says, as of 2005 we have this many
12 people that came down with these infections in a hospital setting and when it came out
13 in October 17, 2007 we all were afraid. And the point is, I have been a parent, I have a
14 16-year-old, a 14-year-old, and 10-year-old, I have been in catholic school, I've been in
15 public school, I've never in my entire life, be it my grown up life, as a child or adult life,
16 seen anybody that I know have a MRSA infection. I'm sure I've had a staph infection.
17 I'm sure we all have as we grow up and we put Neosporin and a Band-Aid on it, but the
18 problem is those modalities don't work anymore and infectious disease knows that what
19 worked for my son in October isn't going to work anymore and this is the reality I want to
20 impress. I didn't mention it in my three minutes, but my son had, not just a skin infection
21 which is what everybody is touting it as. It missed his skin. He played football, he
22 scrimmaged in the summer, he came home with a fever of 104, he had wounds but he
23 had no infection. I went to the emergency room twice. Nope, he must have a virus. He
24 had a raging blood stream infection, it went into his muscles and into his pelvis where it
25 still resides. John is home today with the flu and I'm paranoid that it's going to create his
26 staph to flare because the influenza virus, the staph attaches to an influenza virus. I
27 don't know. It's the left rest of his life. These are children, these are people who, they
28 don't realize it, but this is the rest of their future. They need to realize that washing your
29 hands is not enough. That we need to be pro-active about finding other pro-active ways
30 to say, you know what, I'm a concerned mother, I'll do what I can in my house. You
31 know, Lysol came out with wipes and we use them, why, because we're told it works.
32 They came out with sprays for your kitchen sink and our bathroom toilets and it says
33 leave them for 10 minutes and you'll kill all these germs including MRSA and we use
34 them. Why? Because they work. What I have provided data on is Bioshield 75 which is
35 a non-toxic, non-poisonous, chemical action product, it's a kill, it's negative and positive
36 ions, it's applied on the surface and dries, it creates a polymer that retains its potency
37 and stays on that surface and it kills microbes. That's what I am saying. You know what,
38 it's all about no see ums, it's all about no see ums. The germs are no see ums. I didn't
39 see what got my son and I didn't see the antibiotic in his body making him better but we
40 know that that's how it works. And I'm saying that at some point, if you put artificial turf
41 down and you know by fact that staph and what we're so concerned about is MRSA,
42 which is just resistant staph, it's the same bacteria, if I get a turf wound and I am that
43 person who has it on my skin and I leave it on your turf, you better darn well disinfect it
44 and you better darn well put antimicrobial down so it doesn't proliferate and grow, on the



February 12, 2008

1 dirt, on the sweat, and the skin, and everything left behind. And that's where, I
2 understand that the CDC is directing you, and I understand that the Health and Human
3 Services Department and Chief of Public Health, whom I also spoke to about this
4 product say, yeah, let me check it out. It's valid but at some point you may be liable and
5 we may need to say now let's take a pro-active stance for what we can do to protect our
6 environments that people are coming into, because at some point we may be held
7 accountable. And I will tell you the Texas Department of Health states on their website if
8 you have an area, whether it be in a camp, daycare center, a school, if you have a
9 situation where they see two or more cases of MRSA, what it states is, you have to
10 consider it may be your environment. We had 53 cases, we had elementary school
11 children, we had how many kids in Laytonville? Those kids didn't play football with my
12 son but they want to say that this is an environmentally related issue to the athletic
13 areas only, and that you better clean down the weight equipment before and after use.
14 I'll be very frank with you and let you know that, I in turn told my coaches on the day I
15 came home with John, this is what the infectious disease doctors said you need to do
16 from here on out, is clean with bleach water solution. They have been tenured coaches
17 for you all for 20 years, they've never heard of it. Our equipment had never been
18 cleaned. So this is County-wide. They can't take showers because there's boxes in the
19 showers. They are out now, but the point is, we can't enforce what the Health
20 Department tells us to do. And washing your hands is excellent but I the can attest to
21 you from firsthand it is not enough, because my kids have washed their hands as long
22 as they have been old enough to wash their hands. It just isn't enough. So I really
23 wanted to have this opportunity to bring forward not only the concerns about artificial
24 turf, but here is a product that you put on artificial turf, here is a product that you put
25 down in your County buildings so people like me don't slap my germs on it, and you kill
26 whatever comes in contact. It's not poisonous and it's been proven in the industry for 20
27 or 30 years, it's just not in our industry. So that's it.

28
29 Council President Knapp,
30 Thank you both very much for coming and testifying..

31
32 Marci Calantonio,
33 Thank you.

34
35 Council President Knapp,
36 And thank you very much for making us aware of this issue. Thank you. I would ask
37 make ask, to make sure Ms. Lavorgna gets a copy of the package so that when we get
38 to committee that you can talk to us about it.

39
40 Marci Calantonio,
41 And please know, I'm not an adversary.

42
43 Council President Knapp,
44 No.



February 12, 2008

1
2 Marci Calantonio,

3 I want to help in any way, my whole thought with my son from the day it happened,
4 when we got asked to be on TV a couple times and he didn't want to, I said, if I can help
5 save one human life, and I've learned ladies and gentlemen, and I will tell you this for a
6 fact, this is not a race for me, it's a journey. It's going to take a long time to get the
7 message out to people, but this is what we all need to be aware of. I've educated you
8 now and I just ask for you to educate yourselves further and pass it on. That's all I can
9 ask for.

10
11 Council President Knapp,

12 Thank you very much for taking the time and I hope your son gets well soon.

13
14 Marci Calantonio,

15 He will. I hope he doesn't relapse.

16
17 Council President Knapp,

18 Thank you very much. This concludes this public hearing. We now, our final public
19 hearing, good afternoon ladies and gentlemen. This is a public hearing on a Resolution
20 to amend Transportation Fees, Charges, and Fares to increase the basic cash fare for
21 ride on to \$1.35 per ride and to make other technical revisions. Action is scheduled
22 following the hearing. Before beginning your presentation, please state your name
23 clearly for the record. There are no speakers for this hearing. I'll turn to the Chair of the
24 T&E Committee who is walking away. Dr. Orlin.

25
26 Glenn Orlin,

27 Well, this didn't actually go to. No. No. This actually didn't go to committee, Mr. Knapp.

28
29 Council President Knapp,

30 Okay.

31
32 Glenn Orlin,

33 This comes out of the savings plan, Mr. Leggett and the Council approved. Essentially
34 this provision is part of it. Basically the regular cash fare would increase from \$1.25 to
35 \$1.35. There are a couple of other changes in the resolution. One of which is to point
36 out that, with the smart trip card the fare does not go up. So we need to reflect that in
37 the resolution and you see that on circle 2. The other main thing is that the effective
38 date, which although in the introduction said March 1st would be March 2nd because
39 that's a Sunday, and no fare changes happen on Sundays. There are some other
40 technical changes in here but those are the two main changes.

41
42 Council President Knapp,

43 I see no comments by Councilmembers. We have before us, actually we need a motion.
44 Councilmember Berliner.



February 12, 2008

Councilmember Berliner,

I just want to share with my colleagues, I confess I have not looked at this matter closely, but I am hearing from a lot of constituents with respect to the savings plan as it relates to ride-on and am reluctant to embrace any further action with respect to this without bringing to my colleagues' attention that there are a lot of folks for whom some of the service cuts that have taken place have been quite devastating, because they have literally no alternatives and that we are now putting more cars on the road as a function of that. I have sent a letter to the County Executive asking him to reconsider, particularly Route 37, which I am sure a number of you have heard from constituents with respect to, and I don't know if this is an appropriate time for us to consider such action on our part to formally request the County Executive to reconsider, but I share with my colleagues that it's certainly my hope that the County Executive will do so and seek guidance from staff and others as to their thoughts with respect to this matter.

Council President Knapp,

Dr. Orlin, what is the process before any ride-on group can be eliminated?

Glenn Orlin,

Well the County Executive holds a public hearing, actually, it was held last night down on the third floor, after it has been advertised to hear commentary and then after that the Executive does make a decision as to what services are cut and what are not.

Council President Knapp,

Is there any timeframe? So once the public hearing is convened.

Glenn Orlin,

Actually, Ms. Biggins, sorry, Carol Biggins and Bill Selby from Transit Services are here. I don't know the exact dates.

Carolyn Biggins,

Hi.

Council President Knapp,

Hi there. Welcome. For the record, just, or for the actually closed captioning just say who you are.

Carolyn Biggins,

I'm Carolyn Biggins, I'm the Division Chief of Transit Services. We did hold the public hearing last night on the service cuts that were proposed in the Executive's savings plan. Some of those service cuts go in, are scheduled to go in April, some in May, so we did receive Mr. Berliner's memo and we'll be going over that with the Executive. And then from there we'll be able to get back to you on that.



February 12, 2008

1 Council President Knapp,
2 So what's the timeframe in the decision process? You had the public hearing and.

3
4 Carolyn Biggins,
5 Well the comment period is open until February 19th.

6
7 Council President Knapp,
8 Okay.

9
10 Carolyn Biggins,
11 So I'm talking to my staff now about what we heard last night and different options we
12 might have.

13
14 Council President Knapp,
15 Okay. I guess, then, I would propose to your question that we have got at least a week
16 for the Council to weigh in as either individual members and/or to circulate amongst
17 ourselves if people want to do something more broadly, so I don't think we need to do
18 anything right this second, but we've got a week before we can do that. Turn to
19 Councilmember Leventhal.

20
21 Councilmember Leventhal,
22 Just to clarify, having had the public hearing, is the Executive's decision then final or
23 does it come back before the Council?

24
25 Glenn Orlin,
26 One of the things that actually I'm going to follow up on, I'm not sure of, Mr. Leventhal,
27 is since the savings plan that was approved, assumed these routes were cut, if they are
28 now not going to be cut, does the Executive need to send over a revived savings plan
29 that the Council would have to approve or what? And we're checking into that. I don't
30 know the answer.

31
32 Councilmember Leventhal,
33 Okay, but that.

34
35 Glenn Orlin,
36 But typically.

37
38 Councilmember Leventhal,
39 That wasn't precisely my question.

40
41 Glenn Orlin,
42 I know.

43
44 Councilmember Leventhal,



February 12, 2008

1 Okay.

2
3 Glenn Orlin,

4 But, typically what would happen is the, yes the Executive does have the final say about
5 whether or not a route is cut or not. If he needs more money, he has to come back to
6 the Council for appropriation, but for some reason, he is trying to save some money he
7 can make that cut.

8
9 Council President Knapp,
10 Chair of the T&E Committee, Councilmember Floreen.

11
12 Councilmember Floreen,

13 Let me just say, we will certainly take this up as we, when we get the operating budget
14 and review the bidding on all these points. We didn't have benefit of the full-scale review
15 that we would ordinarily employ.

16
17 Council President Knapp,
18 Right.

19
20 Councilmember Floreen,

21 Before getting to this kind of hearing on fees and fares and that's what's troubling about
22 this whole effort, because we're looking at little pieces of a far larger puzzle. We did
23 eliminate one of the proposals when we acted on the savings plan and, of course, it
24 wasn't until the public hearing that people have had a chance to weigh in. I'm not sure if
25 this particular route that you're raising is the one that we heard so much about from
26 Montgomery College students. But there's a lot of feeling about this and the whole issue
27 of being consistent with all our transit initiatives and the traffic issue and the like. It's all
28 wrapped up together but we haven't been able to look at this holistically and all I could
29 say, in this regard is, we will when we get to it in the budget. We may have a far more
30 draconian proposal or not, with respect to fares in terms of keeping the, or at least in
31 terms of evaluating the governmental subsidy for programs that we wish to continue and
32 give very high value to. So, that's part of the conversation that we haven't had yet and
33 that's what makes this particularly challenging to resolve. That's all I can say.

34
35 Council President Knapp,
36 Director Holmes?

37
38 Arthur Holmes, Jr.,

39 Well, as was indicated, we did have the public hearings, we will look at it and I'll make
40 some recommendations to the, our County Executive as a result of the things that have
41 gone on in the public hearing. As has been indicated, you know, there were some tough
42 things that you had to do and any time you cut anything, any services, and that was
43 indicated in the letter that came over, it's going to be a, some kind of disruption to folks,
44 but we will look at what went on last night in the public hearing. I have read congress,



February 12, 2008

1 Councilmember Berliner's letter and that's going to be in the mix too so we will give it a
2 thorough going-over and come back to you.

3
4 Council President Knapp,
5 Councilmember Berliner.

6
7 Councilmember Berliner,
8 I do appreciate those assurances that you will come back to us. As my colleague said,
9 when we look at the budget that will be too late for the decisions that you have before
10 you insofar as we're going to be looking at something that won't take place until after
11 your proposed cutting of this route, and so it would seem to me that, given the larger
12 overview that we're going to be doing, that we should invoke the precautionary principal,
13 if possible here, and try and maintain these services while we go through that longer
14 review to the extent possible. I totally understand that there are difficult budget cuts.

15
16 Arthur Holmes, Jr.,
17 Yeah. Not to be argumentative in any way but we're going to have to.

18
19 Council President Knapp,
20 That's always a good indicator.

21
22 Councilmember Berliner,
23 That you're about to be.

24
25 Arthur Holmes, Jr.,
26 I'm about to be. We have to make some cuts, I understand that they are going to hurt
27 some folk, that's the reason we had the public hearing so that we then can gather
28 information on it. They're 127 to the college, yours 37, we did I believe 75, I guess it
29 was.

30
31 Carolyn Biggins,
32 We took 75 off.

33
34 Arthur Holmes, Jr.,
35 But it has been through the vetting process here now so we do have to look at the other
36 things.

37
38 Councilmember Berliner,
39 And Director Holmes, let me say, not meaning to be argumentative, but I don't
40 necessarily accept the proposition that cuts have to be made in this particular public
41 service. So, I do appreciate that cuts have to be made and we will, in the context of our
42 budget review, be looking at lots of different potential. So I appreciate that you are
43 under directions to come up with cuts and that you fulfill the mandate that was given to



February 12, 2008

1 you. We have a different mandate. And we have to hopefully work together in terms of
2 figuring out whether this is.

3
4 Arthur Holmes, Jr.,
5 And we certainly will. That is not an intent to say that I'm going to try to hold something
6 because I can't, you have more power than I do. But.

7
8 Councilmember Berliner,
9 Say that again, makes me feel so good.

10
11 Arthur Holmes, Jr.,
12 But I just, Carolyn has done that job that we had to do.

13
14 Councilmember Berliner,
15 Right.

16
17 Arthur Holmes, Jr.,
18 And we have the hearings, we will come back.

19
20 Councilmember Berliner,
21 Thank you sir.

22
23 Council President Knapp,
24 Well let me just, from a timing perspective, Ms. Biggins you indicated that some of the
25 routes that you've had hearings on would be canceled in April, others in May?

26
27 Carolyn Biggins,
28 Correct.

29
30 Council President Knapp,
31 Do you know what that mix is and?

32
33 Carolyn Biggins,
34 Um, offhand the small bus, the ones that had a small bus on them like the 7 were
35 scheduled for in April.

36
37 Council President Knapp,
38 Okay.

39
40 Carolyn Biggins,
41 And then the ones with the larger bus, the route 127, I believe the 37, was scheduled for
42 May.

43
44 Council President Knapp,



February 12, 2008

1 And what are the logistics by which, if a recommendation comes from the County
2 Executive or an approval comes from the County Executive in the next couple weeks to
3 say, yep, we don't like it but go ahead and we'll eliminate these routes, if, as the Council
4 gets the preliminary look at the budget as it comes over in March, which will be prior to
5 your cancellation of any of those routes, what wheels are in motion that would have to,
6 is it too difficult once you've kind of started to say we're going to cancel this route to
7 then stop kind of mid-stream, or is that not a difficult thing to do logistically if the Council
8 in late February or March said, hold it, we have now seen some of these other numbers
9 and we think that it might make sense to keep these in place until we look at it in the full
10 context of the budget?

11
12 Carolyn Biggins,

13 Yeah, we could do that. It is difficult to parse it out really when you're trying to do a work
14 --.

15
16 Council President Knapp,
17 Okay.

18
19 Carolyn Biggins,

20 It's easier, obviously, if we know the whole thing one way or the other, but we would just
21 work with you to do the best we could at adjusting the picks.

22
23 Council President Knapp,

24 I just want to make sure we know what the pieces are. Okay. Councilmember Elrich.

25
26 Councilmember Elrich,

27 I understand that we're going to be discussing, probably for the next three months,
28 some very difficult choices about cuts to be made. But I guess my first question is, are
29 you looking at how the agencies are run administratively for cuts? I mean, is the first
30 place we look for cuts a route and this direct services to people or are we paying equal
31 attention to the structure of all of the departments and looking for, you know, people
32 who aren't necessarily directly delivering services as other places to find money?

33
34 Carolyn Biggins,

35 Yeah, in the service plan, in the savings plan that came over to you all, there were a
36 number of cuts in transit services with service cuts at the very bottom. That was the one
37 of least choice, last resort were the service cuts. So there were delays in hiring, there
38 was reductions in overtime, there was increases in fees, we have looked across the
39 board, we have looked at different programs, remember we had on there Kids Ride
40 Free and we had Call and Ride on there as well. So we looked across the entire division
41 before we came to service cuts, and when we came to service cuts we looked at our
42 lowest productive routes first for efficiencies.

43
44 Councilmember Elrich,



February 12, 2008

1 So does that mean that next, if I look at your compliment of personnel next year versus
2 your complement of personnel this year, the only difference will not simply be the
3 number of drivers but I might be able to identify administrative positions of which there
4 are fewer in the subsequent budget or am I going to find the same number of people in
5 the administrative structure?

6
7 Carolyn Biggins,

8 Well, we obviously have to go through our budget with the Executive so I don't know
9 what you're exactly going to see exactly in '09.

10
11 Glenn Orlin,

12 One of the changes that you will see is a large increase in bus drivers because, as you
13 know, the union requirement.

14
15 Councilmember Elrich,

16 Right.

17
18 Glenn Orlin,

19 That the small buses now be County employees as opposed to contractors, so that will
20 go up in terms of work years. [MULTIPLE SPEAKERS].

21
22 Councilmember Elrich,

23 To get proper bus service.

24
25 Glenn Orlin,

26 No, I'm just saying when you see the number, it's going to be higher so not to be
27 shocked by that.

28
29 Councilmember Elrich,

30 That I'm not shocked by. I guess I'm thinking, you know, that in the midst of all this, the
31 kind of choices we have to make, it seems to me, the last place I want to look is at
32 service delivery, the first place I want to look is, you know, we have got lots of chiefs, do
33 we need as many chiefs as we have?

34
35 Arthur Holmes, Jr.,

36 When we look at the cuts we look in the comprehensive sense. We don't just look at the
37 routes, we look at the management structure, we look at the number of people that we
38 have, so it isn't an effort to just cut routes.

39
40 Council President Knapp,

41 And we have had some discussion about this when we did the budget reduction and the
42 budget savings plan, and we'll continue to have this, and I think we have got time
43 between now and the time the Executive takes action. We have before us a resolution



February 12, 2008

1 to amend the FY08 Transportation Fees, Charges, and Fares. I believe we need a
2 motion to do that.

3
4 Councilmember Floreen,
5 So moved.

6
7 Councilmember Trachtenberg,
8 Second.

9
10 Council President Knapp,
11 Moved by Councilmember Floreen, seconded by Councilmember Trachtenberg. All in
12 favor of the resolution? Councilmember Leventhal, Councilmember Berliner, Council
13 Vice-President Andrews, Councilmember Trachtenberg, Councilmember Floreen,
14 myself. Those opposed? Councilmember Elrich and Councilmember Ervin. The motion
15 passes, carries 6-2. Okay, and this is obviously the beginning of a discussion we'll have
16 a lot over the course of the next couple of months. Dr. Orlin, just before we move from
17 that, how much money does that actually generate for the savings plan? Or for the
18 budget? The action we just took?

19
20 Unidentified
21 106,000 is in the savings.

22
23 Council President Knapp,
24 So this 10 cents gives us 106,000.

25
26 Glenn Orlin,
27 Two hundred.

28
29 Council President Knapp,
30 206,000. Okay. Thank you. Okay. That concludes.

31
32 Glenn Orlin,
33 Actually, one of the reasons why this was proposed is because metro bus fares also
34 went up and there's a long policy that for equity reasons that the eastern County isn't
35 charged more than the rest of the County, that all the fares go to the same levels, and
36 there's not, to eliminate confusion. So it's likely this would have come forward even
37 without a savings plan.

38
39 Council President Knapp,
40 Okay. Great. Thank you all very much. That concludes our public hearings. We now
41 turn to General Business. Ms. Lauer?

42
43 Linda Lauer,



February 12, 2008

1 Um, just one correction. On the Consent Calendar, in C it, just make a note that it's a
2 Supplemental appropriation, not a Special appropriation, for the Local Parks and Non-
3 Local Parks.

4
5 Council President Knapp,
6 Great.

7
8 Linda Lauer,
9 That's it. Thank you.

10
11 Council President Knapp,
12 Thank you very much. Madam Clerk, do we have Minutes to approve?

13
14 Council Clerk,
15 Um, you have the Minutes of January 14th, 29th, and 31st for approval.

16
17 Councilmember Ervin,
18 Move approval.

19
20 Council President Knapp,
21 Moved by Councilmember Ervin.

22
23 Councilmember Elrich, Second.

24
25 Council President Knapp,
26 Seconded by Councilmember Elrich. All in favor of the Minutes? That is unanimous.
27 Thank you very much. Do we have closed Minutes, closed-session Minutes that we
28 need to approve as well?

29
30 Council Clerk,
31 You have the closed-session Minutes of January 22nd for approval.

32
33 Council President Knapp,
34 All right is there a motion?

35
36 Councilmember Floreen,
37 Move approval.

38
39 Councilmember Trachtenberg,
40 Second.

41
42 Council President Knapp,



February 12, 2008

1 Moved by Councilmember Floreen, seconded by Councilmember Trachtenberg. All in
2 favor of approval of the closed-session Minutes? Mr. Elrich? That is unanimous, thank
3 you. Consent Calendar, is there a motion?

4
5 Councilmember Andrews,
6 Move approval.

7
8 Council President Knapp,
9 Moved by Council Vice-President Andrews.

10
11 Councilmember Elrich,
12 Second.

13
14 Council President Knapp,
15 Seconded by Councilmember Elrich.

16
17 Councilmember Floreen,
18 Do you want a recommendation [Inaudible].

19
20 Council President Knapp,
21 Are there any, so we have one modification, item C is not a Special appropriation but a
22 Supplemental appropriation. [multiple speakers].

23
24 Marlene Michaelson,
25 An addendum packet was distributed, the committee met yesterday and did.

26
27 Council President Knapp,
28 Hold on. Hold on. Hold on.

29
30 Marlene Michaelson,
31 And did recommend approval.

32
33 Council President Knapp,
34 Okay. Are there any comments from the PHED Committee on, as it relates to those
35 items? Okay. All in favor of the Consent Calendar? That is unanimous. Thank you very
36 much. We now turn to Legislative Session, Day number 5, Approval of Legislative
37 Journal, Madam Clerk?

38
39 Council Clerk,
40 You have the Journal of January 15th and 29th for approval.

41
42 Councilmember Trachtenberg,
43 So moved.



February 12, 2008

1 Councilmember Ervin
2 So moved.

3
4 Council President Knapp,
5 Moved by Councilmember Trachtenberg.

6
7 Councilmember Ervin,
8 Second.

9
10 Council President Knapp,
11 Seconded by Councilmember Ervin. All in favor of Approval of the Legislative Journal
12 please support, please raise your hand. That is unanimous. Introduction of Bills. We
13 have before us the Introduction of Bill 3-08, Personnel - Retirement - Sudan
14 Investments - Restrictions, by Councilmembers Elrich, Floreen and Ervin. Public
15 hearing is scheduled for March 4th at 1:30 p.m. We have a couple comments.
16 Councilmember Elrich.

17
18 Councilmember Elrich,
19 Yeah, I'm happy to be introducing this legislation and I want to thank Valerie and Nancy
20 for signing on as cosponsors for this. I was very happy to have their support and I think
21 that we don't need to discuss the situation in Darfur, I think we all know what is
22 happening there. We tried to craft something that was, that we thought was workable
23 within state law and that could be easily implemented without causing an undue burden
24 on those charged with administrative funds. So hopefully we'll take positive action on
25 this.

26
27 Councilmember Trachtenberg,
28 Uh-huh.

29
30 Council President Knapp,
31 Thank you very much. Councilmember Leventhal?

32
33 Councilmember Leventhal,
34 I would like the unanimous consent to be added as a cosponsor of Bill 3-08, I had
35 intended to get that message to Mr. Elrich before the packet was put together but the
36 last few days have been difficult for all of us and so that message was not transmitted.

37
38 Council President Knapp,
39 Without objection. You are so added. Councilmember Berliner.

40
41 Councilmember Berliner,
42 I would like that same request for myself, it's my understanding that this action by my
43 colleagues is comparable to that which the State of Maryland has embraced and



February 12, 2008

1 embraced by 20 something other states as I appreciate it, and so I am pleased to add
2 my name as coauthor.

3
4 Council President Knapp,
5 So added. Great. Thank you very much. We now turn to District Council Session where
6 we come back to a Zoning Text Amendment that we started last week, we're looking at
7 Action on Zoning Text Amendment 07-15, Signs – Permits and Fees. I'll actually turn to
8 Councilmember Elrich.

9
10 Councilmember Elrich,
11 So, I'm told to tell you that this comes with a positive recommendation from the PHED
12 Committee.

13
14 Council President Knapp,
15 Okay. Councilmember Floreen is, you had questions last week, so these are.

16
17 Councilmember Floreen,
18 Yes. It was a complicated last ten days so I, I appreciate staff's attention to our last-
19 minute reading of the legislation last Tuesday, which was an especially difficult day and
20 to correct whatever we had failed to mention to staff.

21
22 Jeff Zyontz,
23 So the recomen.

24
25 Council President Knapp,
26 For the benefit of those viewing and for those of us sitting on this side of the dais, if you
27 would just remind us what the question was and what the answer is.

28
29 Jeff Zyontz,
30 The Zoning Text Amendment deals with the fees for signs for non-profits, particularly
31 those that are on the list of, the Planning Board's list of civic associations. The question
32 that was raised last time is whether the Committee meant to waive all fees always or to
33 have waived or reduced fees, and what the Committee recommended is to amend the
34 ZTA as it was introduced to provide for a waiver of those fees for those on the list of, on
35 the Planning Board's list of civic associations.

36
37 Council President Knapp,
38 Okay. Great. I see no more questions. We have before us ZTA 07-15. It's a roll call
39 vote. Madam Clerk, if you would call the roll.

40
41 Council Clerk,
42 Mr. Elrich.

43
44 Councilmember Elrich,



February 12, 2008

1 Yes.
2
3 Council Clerk,
4 Ms. Ervin.
5
6 Councilmember Ervin,
7 Yes.
8
9 Council Clerk,
10 Ms. Floreen.
11
12 Councilmember Floreen,
13 Yes.
14
15 Council Clerk,
16 Ms. Trachtenberg.
17
18 Councilmember Trachtenberg,
19 Yes.
20
21 Council Clerk,
22 Mr. Leventhal.
23
24 Councilmember Leventhal,
25 Yes.
26
27 Council Clerk,
28 Mr. Berliner.
29
30 Councilmember Berliner,
31 Yes.
32
33 Council Clerk,
34 Mr. Andrews.
35
36 Councilmember Andrews,
37 Yes.
38
39 Council Clerk,
40 Mr. Knapp.
41
42 Council President Knapp,
43 Yes. That is unanimous, 07-15 passes unanimously. Thank you very much Mr. Zyontz.
44 We now turn to a Briefing from the OLO Report 2008-4, A Study of County Road Project



February 12, 2008

1 Cost and Schedule of Estimates. A T&E Committee worksession is tentatively
2 scheduled for this Thursday, is that still.

3
4 Councilmember Elrich,
5 Yeah.

6
7 Council President Knapp,
8 Okay. That's still scheduled for T&E Committee. This is a very interesting report and a
9 very timely report given the fact that the Council is just now turning to the capital budget
10 and I think that some of the findings in here, while focused primarily on road projects,
11 certainly can translate into what we're looking at on some of our other capital projects
12 and so I commend OLO for another fine report and the timing for this report. I thank
13 Councilmember Floreen for actually asking for the report and I see. Any comments?

14
15 Councilmember Floreen,
16 Well, I just want to thank Aron and staff for putting the report together. It's an issue that I
17 have been very concerned about over the past years to make sure that we weren't
18 missing anything in terms of planning for capital expenditures and I know, I know the
19 Department has been very attentive to these kinds of issues, but we never had a
20 chance to look at this in sort of, over a spread of years, with a variety of different
21 projects to see if there was any thread that we were missing in terms of the challenges
22 of accurately predicting what the capital budget should look like. And so, I thank
23 everyone who has done this work, and I know Bruce has done yeoman's work for the
24 Department in looking at this issue for us generally, so it was never meant to be
25 anything other than a look-see to see if there is a better way to build the bread box, and
26 I think they have some helpful suggestions.

27
28 Council President Knapp,
29 Great. Thank you. Mr. Trombka and Ms. Downie.

30
31 Aron Trombka,
32 Well, thank you. Thank you Ms. Floreen for asking us to do this report. Councilmembers
33 should have copies of the handout but we'll be working for the next 12 minutes or so
34 from the screen. And, as we begin, we would also like to thank DPWT for their
35 cooperation and assistance throughout this project. In addition to Director Holmes, we
36 specifically want to acknowledge Edgar Gonzalez, Bruce Johnson, Holger Serrano,
37 Sogrand Seirafi, Tim Cupples, and Tom Reise. Each and every one of them spent
38 many, many hours with us helping us with our research and the project could not have
39 been done without their tremendous assistance and cooperation. My colleague, Sarah
40 Downie, will start our presentation.

41
42 Sarah Downie,
43 Okay. This OLO report has several objectives. First of all, we wanted to compare initial
44 estimated costs to actual costs for County Road Projects and to compare initial



February 12, 2008

1 schedules with actual schedules. We also sought to describe the factors that cause
2 changes to project costs and schedules, which we did by examining recent County
3 Road Projects. With this information, the Council will have a better understanding of
4 why some project costs and schedules vary from initial estimates. In our presentation,
5 Aron and I will discuss our methodology and provide some background information on
6 road project cost and schedule estimates. We will then present our quantitative findings
7 on average cost and schedule changes, followed by a description of why these changes
8 occurred. We will end with some lessons learned from other jurisdictions that may be
9 applicable to Montgomery County. This slide lists the criteria OLO used to select County
10 Projects for study. The Council requested that we look at road projects, so one criterion
11 was that the project must primarily involve road construction, although it may also have
12 included other features, such as intersection improvements or a bike way. The project
13 had to be primarily County funded and it had to be approved by the Council as an
14 independent project within the CIP. We wanted to look at recent projects that were far
15 enough along to tell a story, so they had to first appear in the CIP in FY99 or later and
16 be scheduled for construction between FY01 and FY07. Lastly, the project cost had to
17 be at least \$3 million. OLO studied all 14 County Road Projects that met these criteria.
18 Five of these projects have completed construction and nine of them are currently
19 ongoing. Chapters 4 and 5 of the report include detailed information on each of the 14
20 projects listed on this slide including the projects' history and cost and schedule data.
21 The initial cost and schedule estimates that I have referred to are those that appear in
22 the project description form or PDF that the Council approves when a project first enters
23 the CIP. This slide shows the sequence of stages for a County Road Project, including
24 when these initial estimates are created. Estimates are based on information learned
25 during the facility planning stage. During facility planning, DPWT studies the need for
26 the road in the next 20 years, defines the project scope, and performs preliminary
27 design for the project before preparing the initial estimated cost and schedules for the
28 road project. DPWT prepares cost estimates by approximating the quantities and unit
29 costs for labor, materials, consulting, and supervision, based on previous projects and
30 current market conditions. DPWT adds an extra 15 to 40% to the project cost for
31 unplanned contingencies. To estimate the project schedule, DPWT considers past
32 experience and the unique characteristics of that particular project. They can then
33 estimate the duration and sequencing of various project stages, including the final
34 design, land acquisition, site improvements, utility relocation, environmental compliance,
35 and construction. These costs and schedule estimates are presented to the Council as
36 a PDF. PDFs presents future year planned expenditures in constant dollars with no
37 adjustment for inflation in the future. PDFs do not indicate what aspects of the project
38 are unknown or subject to change that may affect cost and schedule estimates. One
39 last piece of background information is the road contracting process. The County
40 contracts with private firms to design and construct road projects. While contracts
41 include penalties for failure to meet contract requirements and timelines, they rarely
42 offer incentives for early delivery or high quality work. Also past performance is
43 generally not used as a criterion for award of future work.



February 12, 2008

Aron Trombka,

Now we'll present some of the quantitative findings of our report. OLO measured the variations between initial costs and schedule estimates and actual project outcomes. Let's begin with project costs. OLO measured the average change in costs for 14 road projects and found a wide range of experiences. A few projects have been built very close to their original cost estimate. More often, however, projects experience significant cost increases. On average, the cost of the County Road Project increased by 54% over its initial estimate. As Sarah discussed, the County CIP presents future costs in non-inflated dollars. Because of inflation, actual project costs almost always will exceed initial estimates. Controlling for inflation, OLO found that on average, County Road Projects increased by 42% over initial estimates. As we also mentioned, actual project costs variations fell over a wide range and there were a few projects that had very large cost increases and that pushed the overall average higher. To minimize the effects of these outliers, OLO also calculated the median average cost increase. Using the median, County Road Projects on average increased by 35% over initial estimates or 24% when controlling for inflation. The greatest cost increases tend to occur early in the project life when design specifications are still subject to change. This next slide shows the average cost increase from one PDF to the next. You will notice that after significant volatility in the early years of the project, costs become more stable as a project comes closer to completion. Now let's look at the time it takes to complete a road project. All right. Not quite, we can explain the math later, but. The time it takes to complete a project. When first submitted to the Council the average estimated duration of a road project was 4.7 years. While the County did complete a few road projects in the time originally estimated, most projects experienced multiple year delays. As shown in this slide, County Road Projects on average took 7.5 years to complete, 2.8 years longer than initially projected. These delays most commonly occurred during the pre-construction stage of the project. Now that we have shown you the extent of project cost increases and delays, let's discuss the reasons why these occur. After studying the histories of recent County Road Projects, OLO identified 10 factors that affected project cost and schedules. As detailed in the report, these factors both shape initial project estimates, but they also frequently cause changes once the project has begun. For example, the scope of two of the projects we studied changed to include previously unplanned sidewalks or a bike way. In another project, construction crews came across an unrecorded underground utility line that was cutting across the right-of-way. In another project, the state required the County to add an underground storm water management facility after final design was already underway. And yet, in another case, DPWT had to delay the award of a construction contract because of a bid protest. These are just some of the examples of mid-project events that can cause cost increases and delays. Significantly, no one of these factors represents the primary cause for changes from initial estimates. What we found was there were different combinations of these factors that caused the cost increases and delays in the road projects we studied. Let's return to those 10 factors that affect project costs and scheduling. The accuracy of cost and schedule estimates often is a function of how much is known about these 10 factors at the time of the first PDF. As Sarah described,



February 12, 2008

1 the first PDF should follow the completion of facility planning. At the conclusion of facility
2 planning, DPWT has completed preliminary design, but does not yet know many details
3 and specifications of the project. It is helpful to understand what information is knowable
4 and what information is not knowable about these factors when DPWT prepares a
5 project's initial cost estimate. The next two slides give examples of what is and is not
6 knowable at the end of facility planning. Regarding land acquisition, for example, at the
7 completion of facility planning DPWT should know the approximate amount of land
8 needed for a project and a rough estimate of the land's value. However, at this stage
9 DPWT does not yet know the exact amount of land needed, the willingness of property
10 owners to sell, or the appraised value of the land. Similarly, when preparing an initial
11 PDF, DPWT should have identified environmental mitigation efforts needed to protect
12 features such as streams, wetlands and forests, however, DPWT cannot know the exact
13 environmental permitting requirements until after regulatory agencies issue conditional
14 approvals at a later stage in the project's life. The more and better information available
15 at the outset of the CIP project, the more accurate the costs and schedule estimates.
16 Facility planning is how DPWT acquires information to make needed estimates.
17 Surprisingly, half of the County Road Projects that we studied did not complete facility
18 planning before they entered the CIP. OLO tested whether a correlation exists between
19 the completion of facility planning and the accuracy of the cost and schedule estimates.
20 Projects that completed facility planning experienced an average cost increase of 28%
21 or 12% when adjusted for inflation. In contrast, projects that did not complete facility
22 planning experienced much greater volatility with costs on average rising 80% or 72%
23 when adjusted for inflation. Similarly, a correlation exists between facility planning and
24 the accuracy of estimated project schedules. Projects that completed facility planning
25 experienced an average delay of 2.1 years, but projects that did not finish facility
26 planning on average experienced delays of 3.4 years. This data suggests a very strong
27 relationship between facility planning and the accuracy of initial project cost and
28 schedule estimates. Finally we would like to share some practices from other
29 jurisdictions that may interest the Council. The first comes from the Washington State
30 Department of Transportation and is an example of an approach called risk-based
31 estimation. This slide shows the Washington State equivalent of our PDF and a full-
32 sized copy of the sheet appears at the end of your handout. Behind the Washington
33 State PDF is a recognition that potential variability in project outcomes and it assumes
34 that the ultimate costs and schedule of a project cannot be known with certainty early in
35 a project's life. As shown in the enlargement of the slide, the form shows costs and
36 schedule estimates in ranges, based on the probability of different variables occurring.
37 Note that the possible project costs vary within a very narrow range, about plus or
38 minus 10%, reflecting possible alternative outcomes. The range of outcomes is a
39 product of different variables called project risks that are identified in the lower left hand
40 corner of the form. By the way, note some of the risks listed in the Washington Project.
41 Items such as environmental permitting, right-of-way purchase, and utility relocations. It
42 seems, yeah, it's, the challenges that face the County Road Projects are similar to the
43 challenges in other communities. We bring this to you because we found the
44 Washington State model quite intriguing. It helps elected officials and the public



February 12, 2008

1 understand the potential variability in capital projects. In other words, this approach lets
2 you know what is not yet known. Our report also describes practices used elsewhere to
3 control project costs and risks. The first is known as constructability reviews. In 11
4 states, highway departments provide specifications to private sector contractors to
5 identify errors and omissions and to suggest modifications that can improve the end
6 product, reduce costs, or save time. Constructability reviews have been endorsed by
7 the American Association of State Highway Transportation officials and have been
8 promoted by the Transportation Research Board of the National Academies of Science.
9 Our report also discusses design-built contracting, in which government enters into a
10 single contract for both the design and construction of a capital project. While design
11 build might not suit every project, design build may shorten project duration by allowing
12 overlap of the design and construction phases and may prevent unexpected cost
13 increases by requiring the contractor to assume some of the financial risk for design
14 changes. To conclude the slide show, some of the issues that OLO recommends the
15 Council address in response to this report. We'll be glad to answer any
16 Councilmember's questions and we look forward to the T&E review of the report on
17 Thursday.

18
19 Council President Knapp,
20 Right. Thank you very much. Before we do I just wanted to see if DPWT had any
21 comments they wanted to make before we got to any questions.

22
23 Arthur Holmes, Jr.,
24 We have worked very closely with Aron and Sarah and I think they have done a good
25 job in bringing forth this report. There are some things in the report that I disagree with,
26 primarily one of the inflation rate that we have, and that was used. Also, I think it shows
27 some good things that, if we go through the facility planning process and get to a place
28 in the design process that we know something, then we can put a PDF in that makes a
29 good deal of sense and is fairly accurate. But I think that we will have a lot of discussion
30 in Committee, but I would like to commend the way that they have gone about this and I
31 think it's a good report and we'll work with it.

32
33 Council President Knapp,
34 I just want to thank you, General Holmes. You said the inflation rate, in.

35
36 Aron Trombka,
37 So what we did was, you get a PDF that shows numbers out in future years in constant
38 dollars, no adjustment, and we wanted to test in the future how well those projects
39 compared to the original estimate. And since the PDF doesn't assume inflation, it would
40 be unfair to the Department if we just showed, let's say, that 54% increase, that would
41 be unfair, so we needed to manufacture some indices to measure the effects of
42 inflation. And so when we showed you on the screen and when we put in the report
43 what, how we controlled for inflation, because the County, the Departments, general
44 public doesn't have a index you can go to, we used a combination of some construction



February 12, 2008

1 index for public works projects, CPI, and some land indices, all of which are subject to
2 discussion and debate, and we have had that discussion and debate with DPWT and I
3 think they might suggest that when you account for inflation you might use different
4 discount rates than we did. Ours are explained in the report and it's certainly a matter of
5 discussion.

6
7 Council President Knapp,
8 Alright. Just wanted to check. Okay. Thank you. Councilmember Elrich.

9
10 Councilmember Elrich,
11 A couple of questions. One is, when you looked at design build did you do any, make
12 any findings regarding the cost difference say per mile, or per whatever unit, designed
13 build versus traditional construction approaches?

14
15 Aron Trombka,
16 And I can say that we, ourselves, did not, although I can reference some journal
17 articles. And design build doesn't necessarily reduce the cost. In fact, in some cases, it
18 might slightly increase the cost, because what happens is the contractor assumes some
19 of the risk. What, the strong point for design build is, is that it minimizes the volatility and
20 the risk. By sharing the risk with the contractor, you're less likely to have the great
21 volatility that we saw in some projects. Certainly not the rule for all. And it makes
22 projects more predictable. It also, the other reasons it's touted in some jurisdictions is
23 because of the scheduling, that it does have a positive effect on the scheduling and that
24 you can start constructing some elements before the design is done. That being said,
25 we did not find a single jurisdiction that said design build works for each and every one
26 of their projects. It tends to work best in larger, more complex projects, and so we don't
27 want to present it as something that, as a rule, is a good thing to do. We're presenting it
28 as something that the County might want to pilot.

29
30 Councilmember Elrich,
31 But there may be some, you may be able to give us some guidance as to where it
32 makes more sense and where it makes less sense?

33
34 Edgar Gonzalez,
35 Edgar Gonzalez for the record. We have done design build in the Department,
36 obviously, prior to the period of the study. When we did the Crescent Trail, for example,
37 that was pretty much a design build project. One of the advantages of that, or in that
38 specific circumstance, we didn't have a lot of right-of-way to take care of, to acquire. If
39 you do a design build, say for Travilah Road, where we have 120 properties to acquire,
40 which has been quite contentious on every one of those 120 properties, if you leave it
41 up to the contractor and the designer you will be getting so many letters to respond
42 about possible abuse or, you know, lack, whatever, is a lot more complicated in
43 Montgomery County, especially, when you have a lot of properties to acquire. In the
44 case of that Crescent Trail, there was absolutely no property to acquire so it was, we



February 12, 2008

1 were able to do it. It's a very outstanding way to do things quick and you fix the price
2 early on, it's a good way to do it. And in fact, the state is doing that for the Intercounty
3 Connector and as a result of that, you know, you have been hearing in the papers on
4 disputes and there are problems with that, and the Department has always tried to be
5 respectful and delicate in dealing with citizens or else we're going to be hearing from
6 you and our County Executive so, it's a very sensitive environment to deal with in that
7 type of.

8
9 Aron Trombka,

10 Design build is hardly a new idea. It goes in vogue, out of vogue. It seems from our
11 reading of the literature to be more in favor these days. In addition to what Edgar cited,
12 the major state project, that 355 in Montrose, Randolph Road, the state just awarded
13 that as a design built contract with the complexity there. That's not to say that most SHA
14 projects are design build, most are not. But they do find some cases where they believe
15 it works, particularly when timing is of the essence.

16
17 Councilmember Elrich,

18 In your slide about the length of time it takes to go from, to complete a project, how do
19 we compare with other jurisdictions?

20
21 Aron Trombka,

22 I can't answer that. I know that's something that Dr. Orlin, who is here, has started to
23 look at. No. When we were scoping out this project, we had the discussion of could we
24 compare an apples to apples on that with let's say SHA, you know, Edgar's point about
25 working in Montgomery County being very unique given all the specific conditions here,
26 if you were to compare, you would probably look at SHA projects within the boundaries
27 of Montgomery County. We didn't have within our scope the ability to do that in this
28 timeframe. I know it's something that Glenn has been interested in.

29
30 Glenn Orlin,

31 Yeah, a couple years ago this came up and I did a comparison between DPWT projects
32 at that point, transportation projects, and State Highway projects. It wasn't other
33 Counties, but State Highway, and what I found was that the, typically, the State
34 Highway projects came in closer to cost and closer to time than DPWT's by a
35 measurable factor, I mean, it wasn't outrageously different but it was different. And that
36 sort of got, in fact, folks interested in maybe even doing this study. I'll have to dig that
37 out and of course that information is a little bit dated now, but that was the only
38 comparison I did. There aren't that many other Counties in Maryland frankly, at least,
39 that build a lot of roads. There isn't a large enough sample. In fact, one of the criticisms
40 of this study frankly, was that it only had 14 or so.

41
42 Aron Trombka,

43 Fourteen.



February 12, 2008

1 Glenn Orlin,
2 Fourteen pieces of data and it's, you know, that's all there was so that's all he could do,
3 it's not a criticism that way, but it is, you are dealing with a small universe.

4
5 Edgar Gonzalez,
6 I just want to remind you of one project that the state has been doing for 50 years and
7 we're still, we still haven't started the whole entire project.

8
9 Glenn Orlin,
10 But it didn't finish facility planning until a few years ago, so they didn't put in for
11 construction until a couple years ago, and in fact, its cost is the same now as when it
12 went in.

13
14 Aron Trombka,
15 To finish the comment to Councilmember Elrich, to us the most significant finding is the
16 variation between projects that went through facility planning and those that did not, and
17 if you're going to try to hang your hat, as we said when we put up that list of 10
18 variables, every road had a different story. The one common theme we could find for a
19 population of 14, admittedly a population of 14, but we looked at all 14, the one common
20 theme we could find was, it went through facility planning, it had a much greater chance
21 of having an accurate, a more accurate schedule, yeah, a more accurate schedule and
22 cost estimate.

23
24 Councilmember Elrich,
25 How much time would that add typically to a project to get through facility planning?

26
27 Aron Trombka,
28 It depends. It depends on the resources allocated and the like. I mean, we need to note
29 that finishing facility planning doesn't necessarily mean that the road is going to end,
30 going to open sooner, you might put it in the CIP a year or two later in order to finish
31 facility planning and that doesn't mean, it means that when you're vote, yeah, when you
32 vote on the project, you'll have a better sense of the cost and the schedule. It doesn't
33 necessarily, you are going to spend more time doing the initial ground work to get the
34 information so that when they come to you, you have a more accurate estimate.

35
36 Glenn Orlin,
37 The routine has been for the last 15 years, in fact, everything except very, very small
38 projects, do go to facility planning. So it's not a question of whether or not we're
39 choosing to go to facility planning or not, they all are going through if it is of any size.
40 The different is whether or not, frankly, elected officials, whether across the street or
41 here, get itchy fingers and decide, oh, I want to put that in the CIP now ahead of facility
42 planning being done where we've run into problems.

43
44 Aron Trombka,



February 12, 2008

1 And that issue is also influenced by the two-year CIP cycle and quite frankly, the
2 previous County Executive who did not encourage mid-year amendments, that meant
3 there was a two-year window and either you got it in in this cycle or you waited two
4 years, depending how you and the current County Executive feel about mid-year
5 amendments, it could be mid-cycle amendments, it could be easier to finish facility
6 planning and then get a project in at the right time.

7
8 Council President Knapp,
9 [laughter]. And the rest of DPWT comes up.

10
11 Bruce Johnson,
12 Well, I just wanted to add too that the facility planning process, the information, I'm
13 Bruce Johnson by the way for the record.

14
15 Council President Knapp,
16 Thank you.

17
18 Bruce Johnson,
19 The information that we put together in that process is information that we have to do
20 anyway. I mean, we have to go through all those steps, it's just a matter of deferring
21 until sometime later in the process of when we actually publish the first cost estimate
22 number. Now, as was mentioned earlier, if we take that same model and what we try to
23 do is also apply it to the building side, we have been bringing across the street PDFs
24 that indicate design only money in many cases for building projects, with that same
25 thought in mind, that we have to do a lot of the preliminary design work, we don't want
26 to publish a cost estimate for a project based on a design that is about this much paper,
27 basically a POR, that we have almost no design work done. And so, when we have a
28 certain amount of design work done we have much, much better information and more
29 accurate cost estimating with that information, then we're much more comfortable in
30 doing that. The one bar chart that showed the first number, a whole lot of volatility, and
31 then when you were about at the last PDF submitted showed very, very little volatility,
32 that tracks very well with the assurance that we have in the cost estimates as we go
33 through the design process.

34
35 Councilmember Elrich,
36 This triggers one other question in terms of timing and to the costs. Do we weigh, when
37 we delay a project or spread it out over a longer period of time, do we weigh the cost of
38 what it would, let's say this right, the cost of borrowing to do a project more rapidly
39 versus the cost of inflation to spread a project out? In other words, does it cost us more
40 to appear to be spending less in any year than it would cost us if we, you know, did a
41 project that we could stretch to three years for convenience, we do it in two years, or try
42 to do more at once? So I have some familiarity with doing this in the city where we were
43 looking at construction, at massive rebuilding of our roads, and one of our analyses
44 were, what would the cost of the bond be versus what was the cost of deferred



February 12, 2008

1 maintenance and inflation and it made more sense to borrow money and pay interest
2 than it did to eat the inflation costs on the project.

3
4 Edgar Gonzalez,

5 During the period of the study, the delays in funding projects cause tremendous
6 increases in the original cost of the projects. Number one, because we probably borrow
7 at, what maybe 5, 6%, and the inflation was going at 13, 15, 17%, for some of the
8 elements. That's number one. Number two, the facility planning process, in response to
9 your first question, adds typically a couple of years to the project. Typically. There are
10 some projects like Mid-County Highway that is going to take us probably five years just
11 to do the facility planning because we're doing pretty much the equivalent of a full
12 environmental impact statement, because of impacts to the environment and
13 requirements by the federal government. But what we had been doing over the last 10,
14 15 years is a tremendous improvement of what I used to do when I first came or Glenn
15 had to do when he was in the Executive Branch, that somebody would come to us at
16 5:00 one day and say, I need a cost estimate for these three road projects by tomorrow
17 because I have to present it to the County Executive. And then that night I would go,
18 maybe drive around the area and then get a map and measure the distance and say,
19 okay, it's going to be this, and that's the way we used to do it. And that just didn't make
20 any sense.

21
22 Glenn Orlin,

23 We're shaped by our traumas and the trauma that I share with Edgar on this, in the late
24 80s I was a CIP Coordinator for the Department of Transportation and I was asked to
25 come up with a cost estimate for M83, this was 20 years ago, and all we were able to
26 do, what we did at that time was we looked at comparables, we looked at other roads
27 that were like that and we said, okay, well this road cost X amount of dollars per mile,
28 and you move it over here and if this cost X amount more miles, multiply, that's a
29 number. Write up a PDF. Put it in the CIP. Boom. The original cost for M83 we put in the
30 CIP was about \$6.5 million. Within two years, after enough facility planning had been
31 done, we didn't really call it that then, but it was that kind of work, it was ten times the
32 cost. Ten times. Because all the complications of that road. So -- .

33
34 Councilmember Elrich,

35 Would we benefit from, when we do, like there are projects, for example, that are being,
36 they originally set it, say hypothetically \$10 million, and they were supposed to be done
37 this year and now they are going to be deferred, you know, for a year or spread out over
38 two years, shouldn't those costs on our PDFs reflect what they are really going to be as
39 opposed to current year prices?

40
41 Glenn Orlin,

42 The PDFs are all done in constant dollars, in this year it will be FY10 dollars I believe.
43 What OMB and the Executive Branch have done, I think with this CIP, maybe for the
44 last one, is they are actually inflating that to the mid-point of construction, but there is



February 12, 2008

1 also, it's a little more complicated than that, because in the total amount of money that
2 you are able to program with bonds there's an inflation adjustment to the \$300 million
3 bond levels, which is actually a CPI adjustment. So there is a little bit of back and forth
4 there but that's beginning to be done.

5
6 Councilmember Elrich,
7 But the CPI adjustment is less than the cost of construction.

8
9 Glenn Orlin,
10 Oh yeah, usually. Not every year but usually.

11
12 Councilmember Elrich,
13 Right. Usually.

14
15 Glenn Orlin,
16 And in some years, it's actually.

17
18 Aron Trombka,
19 And what we found is, Councilmember Elrich, is it really depended on the case. You
20 took the projects in North Bethesda, Neville Street, Citadel, where the land prices in that
21 area were jumping at tremendous rates here, there delays in those projects had
22 tremendous, tremendous effects on the cost. Less so in other parts of County and when
23 you are looking in the, you know, for the future, you sort of have to crystal ball, we didn't
24 do it in our presentation, but in our report we document that the most volatile element of
25 this prediction is land costs. And not knowing what land costs are in the, will be in the
26 future, delays have risk of having tremendous impact on the overall cost of the project
27 and we saw that in several, the best cases of those were the North Bethesda projects.

28
29 Councilmember Elrich,
30 Okay. I want to thank you for, you know, I think it's a really thorough and interesting
31 report that raises a lot of questions about what are best practices for us now.

32
33 Council President Knapp,
34 Councilmember Floreen.

35
36 Edgar Gonzalez,
37 Sorry. And we will have a lot of more data again that we'll present at the T&E
38 Committee to compare escalation costs and it will be an interesting session. Everybody
39 is invited.

40
41 Councilmember Floreen,
42 Always fun. Yes. Please, please join us. A couple things. By Thursday, can you, is the
43 answer with respect to facility planning, what projects skip it, us, political behavior?



February 12, 2008

1 Glenn Orlin,

2 Well in the end it is in that you approve all the projects going to CIP but a lot of the
3 initiatives from it do come, have come from the Executive.

4
5 Councilmember Floreen,

6 Yeah. I guess I would ask you to look at that issue. I don't think the report addresses
7 what causes projects to skip facility planning. But the elements of that, it seems to me, it
8 would be useful for us to start working on some policies that we can violate but at least
9 we'll know we're violating them.

10
11 Glenn Orlin,

12 Could I just say, it's not like you're skipping facility planning. I don't think there has been
13 a case where it has actually been totally skipped. It's just a matter that it's gone in
14 before facility planning is finished.

15
16 Councilmember Floreen,

17 Well, before you know what the dollar amount might be.

18
19 Glenn Orlin,

20 Yeah.

21
22 Councilmember Floreen,

23 So I think this would be a project to start working on, how we can at least address it,
24 and we'll talk some more in Committee. And the other thing is, Aron gave me this handy
25 piece from Governing Magazine, I don't know if everyone has seen it, it was from
26 November having to do with some of the construction bonus approaches that have been
27 used elsewhere as it addresses design build. It also addresses project oversight. And
28 let's make sure that everyone gets a copy of this, because I think it's an interesting
29 piece and a document that I'd like your response to too.

30
31 Edgar Gonzalez,

32 We'll be glad to review it, but I want to also tell you that we have done that on several
33 projects when, I mean there are circumstances in which you want to provide bonuses. I
34 remember when we did – Whites Ferry Road Bridge, for example, we had to close a
35 road for, we estimated five months, we gave incentives to the contractor to finish in
36 three months or less and they did it and they earned every piece of incentive. When we
37 did Norbeck Road Extended, we had a road closure that was estimated to be 18
38 months, we said, if you cut it out to 11 months, you earn certain incentives, and we did
39 it. So we used incentives, we have used incentives in many projects in the past. Again,
40 you have to balance that with the additional cost of the project. So.

41
42 Councilmember Floreen,

43 And as I recall, the school system developed some quick-pay programs as well, I don't
44 know if we employ the same approach that MCPs, I think they still use that.



February 12, 2008

1
2 Aron Trombka,
3 Yeah. We'll get further information. I talked to Joe Lavorgna about it.

4
5 Councilmember Floreen,
6 Yeah.

7
8 Aron Trombka,
9 And their process is actually fairly similar to the County Government's.

10
11 Councilmember Floreen,
12 Okay. Okay. Good. Well, we'll take it up.

13
14 Aron Trombka,
15 Yeah, and in our discussion items, the whole idea of incentives and shared risks – bring
16 to T&E for discussion. But it was our finding that this use of incentives is much more --.

17
18 Councilmember Floreen,
19 Like when your bridge breaks. A really big bridge.

20
21 Council President Knapp,
22 The exception locally.

23
24 Aron Trombka,
25 In Montgomery County.

26
27 Council President Knapp,
28 Right.

29
30 Councilmember Floreen,
31 Yeah. Yeah. And may not be, as you say, may not be worth the fiscal, the financial
32 issue associated with that. Yeah.

33
34 Edgar Gonzalez,
35 I also want to tell you, we have also done bids that had been a combination, what we
36 call A plus B, so it is the low bidder, but then it's not just the low bidder, and then we
37 said, if it's going to take, let's say we estimate that it's going to take 18 months, we said,
38 for every month less than 18 months you get.

39
40 Councilmember Floreen,
41 Points.

42
43 Edgar Gonzalez,



February 12, 2008

1 Like if you had spent 100,000 or \$200,000, we have done that on several contracts as
2 well, so we have been looking at ways to provide incentives for construction of our
3 projects.

4
5 Councilmember Floreen,
6 Yeah, okay. Thanks.

7
8 Council President Knapp,
9 At the end of the report and at the presentation today, it talks about this, it shows this
10 Washington State PDF, if you will. A word of point with the Department or Departments
11 or however we do this, restructuring, reorganization, I guess we'll see soon, there would
12 seem to be a logical time to also begin to rethink how we do some of our planning and
13 our estimating. Is this information going to be something that gets rolled into that
14 process?

15
16 Arthur Holmes, Jr.,
17 Certainly. As I have indicated to the people in the Division and talking about the coming
18 structure, this is a time to look, one, at organization, this is a time to look at procedures,
19 so we will be doing that. That's why I say, with this report, there are a lot of things in this
20 report and I'm very happy to see what we have that we have to look at and see whether
21 we can do. My concern with the inflation thing, is that goes to just some of the cost
22 increases that we have. But I think, for me, the most important thing that's coming out of
23 this is, that we have to decide if we want to get good, or much better cost estimates,
24 we're going to have to go to a point in the design where we can actually say what we're
25 going to do. And with roads, you do have some variables in there, with land, and with
26 utilities, and with the environmental regulations that affect time and affect money.

27
28 Council President Knapp,
29 And I guess I agree but the part that I struggle with, and that's why I like this kind of a
30 concept, and I don't know how well this works for Washington State or doesn't, but it
31 forces you to actually lay out what those risks are and I know that that's a conversation,
32 at least in the time I have been here, that I struggle with, because there are things that
33 tend to come up that, okay, we, somebody just referenced the fact that land costs are
34 volatile. We already know that. We can actually begin to quantify some measure of that
35 volatility and begin to understand what that will ultimately have as an impact on the
36 overall price or cost of the project. And I guess I haven't seen us taking those types of
37 things into account. There are other things that are certainly, have a great level of
38 variability but even that variability is quantifiable so we can know what the potential up
39 sides or down sides are, and I guess that's the part I think I would look for us to try and
40 incorporate into whatever it is we do next.

41
42 Aron Trombka,
43 That's what's so unique about this Washington model. It forces their planners to ask the
44 what if questions and to become accountable for saying, we know that these are the



February 12, 2008

1 different variables that can play out, and if such and such plays out, it will have this
2 effect, if something else plays out it will have that effect. What the County does, and
3 quite frankly, most jurisdictions around the country do is, they are just reactive. We think
4 it's going to be like this, oh, something happened, now it's changed. What's really
5 unique and, to us, very intriguing about the Washington State model is it forces them to
6 pro actively work out what could happen and let the elected officials and the public know
7 with the result of something like this, where you have ranges of probabilities, and it
8 makes you much more informed when you choose whether or not to buy that road that
9 you know what the plus and minus of that could be.

10
11 Council President Knapp,
12 Right. And I want to be careful because this is an example. I'm sure there are any
13 number of ways to do it, so I don't want to cite this as the way to do it.

14
15 Aron Trombka,
16 Sure.

17
18 Unidentified
19 No, but.

20
21 Arthur Holmes, Jr.,
22 As was indicated with the initial cost that we were coming in, we do have a risk factor in
23 there, and there is a percentage in there for risk. I think what you are saying is we have
24 got to do a better job of forecasting what that actually is. We have got to find a way to
25 do that. I don't know right now how you do that.

26
27 Council President Knapp,
28 Yeah.

29
30 Edgar Gonzalez,
31 If you look, we have been doing that, okay. We just have not been documented,
32 documenting it in every PDF. But if you look back at the CIP, at the previous CIP, you
33 will see many projects that have a range in cost, we said the estimated range is going to
34 between this and that. We have been doing that. That is specifically on projects where
35 we are not going fully funded, so we were in the design, we were just going to design
36 only, so we have been doing it and we said, this is the cost. We have been taking that
37 into consideration. It's just that it is not documented. But we'll, you know, again we'll
38 have that discussion.

39
40 Council President Knapp,
41 But in those cases where we have done the range, I'd like to get a sense of how often
42 we have actually stayed within the range, you know, just to get some sense there too.
43 We can have the range, but if we always exceed the range it's not necessarily all that
44 helpful either. And then the other piece, I guess the observation that we need to, I think



February 12, 2008

1 we need to look at is, and we're all in this together, but the average project delay
2 beyond initial estimates. If you look at the study, and I recognize that there are only 14
3 projects that we could look at, but even the ones where we have done the facility
4 planning, we're still 2.1 years behind the schedule that we had originally identified, and
5 I'm sure there are a number of reasons for that, but that's when we're doing it well, we're
6 still two years off. And so I think it's important for us to figure out how we get back to
7 getting to the actual real timetable as opposed to even looking at, you know, the margin
8 of error that we have got when we're doing it the right way. I think our folks deserve that.
9 But I appreciate OLO's study on this and I appreciate you guys all working with DPWT's
10 perspective with that, because I think this is very helpful for all of us, because we are
11 elected folks and you know that we make silly decisions sometimes, but to the extent
12 that we have got practical information in front of us that can help inform that decision, I
13 think, will make all of us better off in the long run. So I thank you all. One more question,
14 Councilmember Andrews.

15
16 Councilmember Andrews,

17 Thank you. Well thanks for the good work on the report. I think it is very helpful and we
18 know that road projects are not the only ones that we have seen come in substantially
19 over the early estimates. But the implications for the capital budget are very important
20 because what's in the capital budget creates expectations about what will actually
21 happen and to the extent that the costs end up significantly higher than anticipated or
22 come in longer, it affects what people, how people treat the capital budget and it affect
23 what we can actually accomplish in that six-year period. So I know Glenn is going to
24 discuss the FY09 through 14 Capital Improvements Program a little bit later and I think
25 one of the things the Council needs to deal with is, how do we take this information and
26 use it to adjust how we program in the capital budget. There are always going to be
27 things that come up that are unanticipated, we know that. Sometimes property owners
28 won't sell, sometimes laws change that effect costs, but to the extent that projects are
29 above by large numbers of the original estimate, it means that we have not got a capital
30 improvements program that is reliable in terms of the.

31
32 Glenn Orlin,

33 If I could elaborate, it is not only whether or not it is reliable in a general sense for the
34 public, it also has an impact on the growth policy.

35
36 Councilmember Andrews,
37 Right.

38
39 Glenn Orlin,

40 If you have a project that goes in the CIP.

41
42 Councilmember Andrews,
43 Sure.



February 12, 2008

1 Glenn Orlin,
2 Which should be funded within four years and doesn't get done really until.

3
4 Councilmember Andrews,
5 Right.

6
7 Glenn Orlin,
8 Effectively the fifth or sixth, you are essentially allowing development to be approved.

9
10 Councilmember Andrews,
11 That's right. We've depended on that project being done.

12
13 Glenn Orlin,
14 Right.

15
16 Councilmember Andrews,
17 Within that four-year timeframe, five-year timeframe and that's what the growth
18 approvals were based on.

19
20 Glenn Orlin,
21 Right.

22
23 Councilmember Andrews,
24 That's very important.

25
26 Glenn Orlin,
27 All get built within four years either, so there tends to be an equaling out of that but that
28 is a big part.

29
30 Council President Knapp,
31 Okay. Great. Thank you very much. Look forward to the worksession and look forward
32 to that in forming our CIP discussion. Good work. Thank you everyone. Our next item is
33 Briefing on OLO Report 2008-5, Overview of Revenues, Expenditures, and Other
34 Financial Data for Municipalities and Special Taxing Districts. An MFP Committee
35 worksession is tentatively scheduled for March 17. This was requested by
36 Councilmember Praisner and was in response to a number of things that are going
37 through at the state level, or been requested at the state level for legislative action, and
38 also, looking to help to try and inform us as it relates to the County Executive's tax
39 duplication taskforce and to give us some background on that. Before we get started, I
40 just want to see if Council, or MFP Chair Trachtenberg has any initial comments and
41 then turn it over to Ms. Richards and Ms. Latham.

42
43 Councilmember Trachtenberg,



February 12, 2008

1 Thank you President Knapp. As you indicated, this was a requested through
2 Councilmember Praisner and this was a very hot topic for us during the budget season
3 last year and again, when the Rollingwood Incorporation issue was raised before the full
4 Council. And I know we will have a healthy discussion on the 17th of March about the
5 report. I would just note for my colleagues that there are a few Bills in Annapolis, two in
6 particular that have been forwarded by Delegate Barvey on a building excise tax and a
7 transfer tax that are very relevant to the conversation around municipalities. And there is
8 no doubt in my mind, after having looked at both the Executive summary in the last
9 chapter of the report, which I understand are always the right places to start your
10 reading, that this document really provides an additional dimension to the conversation
11 that we need to have about a whole host of issues here on the County Council. I would
12 commend those that have had participation in the project development. It's an excellent
13 report.

14
15 Council President Knapp,

16 And before we get started, just to recognize we have, Karen --, Marybeth Park, Anna
17 Hardy from Section 3, Chevy Chase, Gene Spalding, Martin's edition, trying to read this
18 scribbling, Bob Weissner, Chevy Chase, and Fred Felton representing the city of
19 Gaithersburg have joined us. Thank you for participating in our discussion today. Okay.
20 Take it away.

21
22 Kristen Latham,

23 Good afternoon. My name is Kristen Latham and this is Sue Richards. We are here
24 today to brief you on an OLO study which looked at the revenues, expenditures, and
25 other financial data that for the County's 19 municipalities and three Special Taxing
26 Districts. Ms. Praisner had requested this study last summer. She had hoped the results
27 would give the Council a better understanding of the financial position of the
28 municipalities in Montgomery County and assist the Municipal Revenue Sharing
29 Taskforce with its work. The Council also hoped this information would improve its
30 understanding of the fiscal implications of creating a new municipality. We would like to
31 thank all of the officials and staff from the municipalities and Special Taxing District who
32 worked with us throughout the study. They were very cooperative and graciously
33 accommodated our numerous requests for information. Our study compiles financial
34 data for 19 municipalities and three Special Taxing Districts throughout the County. On
35 the last page of your handout you can see a map of all the municipalities. And just to
36 make things easier, in the report and during this presentation, the term municipalities
37 refers to both the 19 municipalities and the three Special Taxing Districts. According to
38 Park and Planning estimates, the collective population of the County's municipalities
39 totals approximately 160,000 or about 16% of the County's population. The
40 municipalities vary widely in size. As of July 1, 2006 the village of Drummond is the
41 smallest with 120 people, followed closely by Brookville with 128 people. On the other
42 end of the scale, Rockville is the largest with a population just over 59,000, closely
43 followed by Gaithersburg at almost 58,000 and Takoma Park at about 18,500. We will
44 now speak about the methodology of this report. Our report is intended to be an



February 12, 2008

1 informational document. It packages 22 municipal profiles that present revenue,
2 expenditure, capital debt, fund balance, and investment data, supplemented by brief
3 descriptions of services, staffing level, and pension plans of the municipalities. Our
4 sources of information for these profiles were the Comprehensive Annual Financial
5 Reports or CAFRs of the municipalities that they provided. We also gathered
6 information from interviews with municipal staff, from the website of the Maryland
7 Municipal League, from the websites of the various municipalities, and from
8 consultations with staff and several state and County departments. We packaged the
9 data from the financial statements in different formats. For the most part, the profiles in
10 chapter 3 that make up the body of the report contain line item revenues and expenses
11 lifted directly from financial statements. They also contain summary totals that reflect
12 categories we developed to look for patterns of revenues or expenditures. The
13 Executive summary and last chapter of the report, which we provided as part of your
14 packet today, contains tables of summary results. These numbers are most useful as
15 order of magnitude estimates. This is because they reflect a blend of sixteen FY06 and
16 six FY07 financial statements and because OLO relied on how numbers were labeled in
17 each financial statement that classify the data. Since the labeling was not uniform
18 across all statements, the results about allocations amongst expenditure categories or
19 amounts of revenue shares are not as consistent as we would have liked. One last note
20 about the methodology, is that because we worked collaboratively with staff in
21 municipalities, the profiles provide details about services each municipality provides and
22 the revenues they use to pay for them. We heard concerns, particularly from some of
23 smaller municipalities, that a summary of only financial data does not begin to address
24 the contribution of the municipalities and we would agree. We included details in the
25 profiles to help illustrate the wide array of services the municipalities provide. However,
26 this information is far from comprehensive and it is not intended to be evaluative.
27 Compiling information to address the value or the efficiency of the services the
28 municipalities provide was outside the scope of our assignment. Now I will turn the
29 presentation over to Sue to walk you through some of our summary results.
30

31 Sue Richards,

32 Thank you Kristen. I'm going to briefly highlight our findings about finances first for all 22
33 municipalities as a group and then for two subgroups. To keep it interesting, I'm going to
34 start with expenditures and then move on to revenues. As independent governments,
35 municipalities are authorized to select the services they want to provide and to make
36 decisions about how to pay for them. Our analysis of expenditure data from the financial
37 statements we reviewed shows that collectively municipalities spent \$160 million
38 annually to provide services in fiscal years '06 and '07. Three municipalities with the
39 highest level of expenditures, Rockville, Gaithersburg, and Takoma Park accounted for
40 \$141 million or almost 90% of these expenditures. To look for expenditure patterns, we
41 classified the expense data using activity categories that the Maryland Department of
42 Legislative Services uses for its financial analysis. The pie chart on the front of your
43 handout shows the allocation of expenditures across these categories. As you can see,
44 spending on public works, which includes activities like street lighting, solid waste



February 12, 2008

1 services, and highway maintenance accounts for about one-quarter of all expenditures.
2 And spending on general government, recreation and culture, and capital outlay each
3 account for one-sixth of all expenditures. If we look at the prevalence of spending for
4 these categories across the municipalities, the data shows all 22 entities spend for
5 general government and public works, 15 spend for recreation and culture, 11 spend for
6 capital outlay, and 10 spend for public safety. Now, let's turn to revenues. The pie chart
7 of revenue shares on the lower half of the page has two levels of information. The
8 individual segments show allocations for eight different categories of revenue. The
9 colors indicate whether these sources of revenue are locally enacted taxes or fees,
10 which are shown in green, intergovernmental revenues from the County, state or federal
11 government which are shown in blue, or miscellaneous revenues including items such
12 as interest, contributions, and donations, et cetera, which are shown in yellow. The
13 financial statements show collectively the municipalities received about \$159.5 million in
14 revenue. And as you can see from the pie, locally enacted taxes and fees made up
15 almost half of these revenues. County revenues, including the County Municipal
16 Reimbursement Payment, the County income tax share, and other County revenues
17 made up another 38%. State and federal aid and miscellaneous revenues each made
18 up 7 or 8%. A review of the individual profiles shows intergovernmental revenues and
19 local property taxes are the most prevalent sources of revenue. Specifically, all 22 of the
20 municipalities receive a 17% share of the County income tax that their residents pay. 21
21 of the 22 receive an annual allocation of state highway use revenues and a county
22 municipal reimbursement payment. 21 of the 22 assess a municipal property tax and all
23 19 municipalities, but not the three Special Taxing Districts, receive an annual allocation
24 of program open space funds. A drawback of summarizing the data from the financial
25 profiles is that the summary itself can skew the results. This is the case for the County's
26 municipalities because, as we said earlier, three of the municipalities, Rockville,
27 Gaithersburg, and Takoma Park, account for 85% of the population and almost 90% of
28 the revenues and expenditures. To show how the revenue and expenditure patterns
29 change, we prepared two more sets of pie charts. If you open the handout, the pie
30 charts for the expenditures and revenues for Gaithersburg, Rockville, and Takoma Park
31 are on the left and for the other 19 entities are on the right. As you would expect, the
32 share of the expenditures for the three largest municipalities on the left are roughly
33 comparable to the expenditure shares we saw earlier. Overall the primary spending
34 categories are public works, recreation and culture, debt service, general government,
35 and public safety. Looking over to the right hand side of the page for the other 19
36 entities. The two largest categories are public works which makes up 42% of the
37 expenditures and general government which accounts for 32% of all expenditures.
38 Turning to the revenues shares. The pie chart of revenue shares for the three largest
39 municipalities, on the bottom half of the left hand page shows municipal sources of
40 income make up about 60% of their revenues and intergovernmental revenues make up
41 another 30%. For the remaining 19 entities on the lower half of the right hand side, the
42 pie chart shows they rely heavily on intergovernmental monies for about 68% of their
43 revenues. Over half of their revenues come from the County income tax share whereas
44 one-quarter come from locally imposed taxes and fees. Finally, the Council asked us to



February 12, 2008

1 look at data about fund balances, municipal debt levels, and compliance with Gatsby,
2 other post-employment benefit requirements. In terms of fund balances, the financial
3 statements show all of the municipalities have fund balances. For the 19 smaller
4 municipalities, the smallest fund balance is Oakmont's at about \$27,000 and the largest
5 is the village of Chevy Chase Section 3 at \$5.4 million. For Gaithersburg, Rockville, and
6 Takoma Park, the fund balances are 47 million, 22 million, and 5.4 million respectfully.
7 In terms of debt levels, we found all of the municipalities are authorized to borrow funds
8 and five currently have outstanding debt. They are Brookville, Garrett Park, Poolesville,
9 Rockville, and Takoma Park. At 109 million Rockville has the highest level of
10 outstanding debt. Finally, in terms of compliance with Gatsby requirements for other
11 post-employment benefits, only Gaithersburg and Rockville provide these benefits and
12 thus, must comply with these requirements. Gaithersburg has started to fund its liability
13 and Rockville intends to address these requirements in fiscal year '09. That concludes
14 our review of the highlights. Again, I would like to thank all of the municipalities. We
15 could not have done the study without their support and assistance. The report is
16 currently scheduled for an MFP Committee worksession on March 17, and as we said
17 earlier, when the Council assigned OLO this study last summer, an important purpose
18 was to provide contextual information for the Municipal Revenue Sharing Taskforce
19 which the County Executive appointed last April. With that in mind, we invited Kathleen
20 Boucher to be here today and she's prepared to give you an update on the status of the
21 taskforce's work. Great. That would be good.

22
23 Council President Knapp,
24 Why don't we do that, if you don't mind, Kathleen, just give us a quick update on that
25 and then we'll see if anybody has any questions. I also want to say we've been joined
26 by Katherine – from the city of Rockville as well.

27
28 Kathleen Boucher,
29 Thank you Mr. President. And thank you all for this morning's tribute to Councilmember
30 Praisner. It will help all of us, help me, and I think many people move from a life with
31 Marilyn Praisner centrally in our midst to a life without her, so thank you. In terms of the
32 taskforce, first of all, I wanted to thank OLO for their report. It is terrific timing and will be
33 very useful to the taskforce that the County Executive appointed last year. The OLO
34 report in the appendix includes the County Executive's letter that initiated the taskforce
35 as well as some brief background about the taskforce itself. The scope of the taskforce
36 was left open at the beginning for the municipal representatives and the County
37 representatives to agree to issues that needed to be discussed. The County
38 representatives and municipal representatives did that and have been working since
39 last year on both issues that are of interest to the County and issues that are of interest
40 to the municipal representatives. The County Executive has directed the taskforce to
41 complete its work by the end of April. And that is the timeline we're working under. I'm
42 not sure how much detail you want today. If you have particular questions, I'd be happy
43 to answer them, but that's the timeline that we're working under.



February 12, 2008

1 Council President Knapp,
2 So they're anticipated having recommendations by the end of April.

3
4 Kathleen Boucher,
5 That's right. That's right.

6
7 Council President Knapp,
8 So there wouldn't be any implications in what the County Executive would send over in
9 his budget request, but there could be some potential modifications proposed as we
10 move forward.

11
12 Kathleen Boucher,
13 That's right. For the '09 budget, the OMB, the County has been discussing with the
14 municipalities how to handle the '09 budget given that the taskforce is not done with its
15 work. And my understanding is that there has been an agreement essentially to use the
16 '08 formula numbers. And I think that is what you should see in the budget, that's what
17 you will see in the budget.

18
19 Council President Knapp,
20 I saw lots of interesting looks in the audience. That will be a interesting point of
21 conversation later. Okay. I just want to see, thank you ,that was very helpful.

22
23 Kathleen Boucher,
24 Sure.

25
26 Council President Knapp,
27 Councilmember Trachtenberg.

28
29 Councilmember Trachtenberg,
30 Kathleen, you indicated that the taskforce report would be due, did I hear correctly, the
31 end of April.

32
33 Kathleen Boucher,
34 That's correct.

35
36 Councilmember Trachtenberg,
37 I wonder, you know, we are going to have a worksession scheduled in mid March and
38 while I think we've got enough in the report to go over within the Committee at that time,
39 it would seem to me it would also be worth revisiting this within the Committee once that
40 taskforce report is provided. I'm sure I'm going to get back to you through Council staff
41 but it would seem to me that we might have the opportunity to do a little bit of framework
42 development, so that when the report comes over from the taskforce we are actually
43 working from the same perspective.



February 12, 2008

1 Kathleen Boucher,
2 Sure. We would look forward to working with you in that regard.

3
4 Councilmember Trachtenberg,
5 Okay.

6
7 Council President Knapp,
8 I just had a questions for the OLO folks as it relates to, on circle 6 in the report, the
9 restricted and unrestricted fund balances. And I've been down to Annapolis a couple of
10 times this year and listened to legislative financial folks talk about, you know, the fact
11 that all of the Counties have these fund balances and so that, you know, we can do
12 some things with them that practically, our fund balances turn out to be things we put
13 aside for GASB and things like that. So, while we, it may show up as a fund balance
14 someplace, practically we're not going to use it to fund other things, because we've
15 identified what the priorities for those. Of these, so we don't run into the same mistake
16 that I've heard down at that side, kind of walk through the nature of the restricted and
17 unrestricted fund balances if you could just to give us kind of a flavor of what that means
18 or what's in some of those.

19
20 Sue Richards,
21 First after all to talk a little bit about the chart, the combined funds, what we did was put
22 the general fund, and a lot of the smaller municipalities have special revenue funds that
23 they use for the state highway user revenues, and so, in some cases, the unrestricted is
24 pretty much funds that are available for any use. The restricted funds, they could be
25 saved for the highway user, they could be for road maintenance. The other point that we
26 heard from the municipalities is, especially from the smaller ones, a lot of them started
27 to do long term capital asset planning. And so even though some of the funds might be
28 unrestricted, in fact, they're kind of earmarked or informally earmarked for longer term
29 projects. And the other thing that I wanted to say, I misspoke during the presentation
30 and actually, if you look on the right hand column, thank you for the note, you can see
31 down at the bottom of the village of Chevy Chase Section 3, their balance is 1.5 million.
32 So, they didn't have the largest fund balance. [multiple speakers]. I read the wrong line.

33
34 Council President Knapp,
35 Okay.

36
37 Sue Richards,
38 And I think it might be Chevy Chase town at 3.8 million or Chevy Chase Village which is
39 also 3.8 million, which would have a higher fund balance.

40
41 Council President Knapp,
42 I don't see any more questions but I expect that this will inform a lot of discussion and I
43 know that the municipalities also have a lot of interest and so I encourage you, not that
44 any of you are shy, but encourage you to share your perspectives and comments with



February 12, 2008

1 the Council or the MFP Chair, so that when it comes up to the Committee and full
2 Council, that we've got that taken into account. So, I very much appreciate you coming
3 today and look forward to your comments and look forward to the recommendations of
4 the taskforce in April. It's going to be very helpful to how we end up doing the rest of our
5 budget. Great. Thank you very much for another fine report. Now, our final agenda for
6 the afternoon is to get an Overview of the FY09-14 Capital Improvements Program from
7 Dr. Orlin. Give us a general sense as some of the committees have actually started
8 some CIP work this week, this should provide a broader overview for everyone as we
9 start to look at not just the projects in a committee by committee or department by
10 department basis, but what the overall perspective is that we're going to need to
11 reconcile as we get to the final conclusion of the budget. Folks, if you could just keep it
12 down a little bit while we're still finishing up our activities here. Thank you. Dr. Orlin.

13
14 Glenn Orlin,

15 Thank you very much. This is a an on year for the CIP so you are creating a whole new
16 CIP this year as you do every two years according to the charter. You can see on table
17 one of the chart, page one, you'll see the changes that have been made to the CIP over
18 the last decade or so and you'll notice a pattern where typically, in the on year of a CIP,
19 other words, when you create a whole new CIP, that's where you see the largest
20 increases over the previous CIP and then in the off year where you're just dealing with
21 amendments, usually only about a-quarter or a fifth of the project description forms the
22 percentage increase is smaller. It doesn't always follow that pattern. You'll see in 2002,
23 when the approved 2003-2008 CIP was put together, it actually went down by a pretty
24 hefty amount. That owed to the fact that there were several large projects that were
25 completed in that year and so, disappeared from the six-year period and there weren't
26 similarly large projects being added in the new one. The jail is a perfect example of what
27 happened that year. By the way, I'm not going to be discussing the WSSC as part of
28 this overview. They have separate process, as you know, it is bi-county decision, they
29 have their own spending affordability process, and you pay for those projects through
30 rates, fees, not taxes. So, I have kept that out of the mix. On page two, you'll see, well,
31 back on page one, one more thing I should point out. The total amount of requests for
32 the FY09-14 CIP from the agencies is a little over \$3.5 billion, which, if all were
33 approved, would be about a 10% increase, 10 1/2% increase. Which in fact, isn't such a
34 large increase compared to other on years for the CIP. The Executive has
35 recommended quite a small increase alternatively, the aggregate over all agencies
36 would be a 1.1% increase. On page two, you see how the agency requests vary by
37 agency and you see the public schools, for example, has requested increase of 23.6%,
38 the college 32.9%, et cetera. The County Government, the County Executive for the
39 County Government has actually recommended a reduction of 10 1/2% for County
40 agencies. And then when you look at the last set of columns in that table, the last two,
41 you'll notice that the Executive's recommendations for the other agencies also are lower
42 than what the agencies themselves requested. In some cases, somewhat lower and in
43 some cases, quite a bit different. For example, in the college case, rather than a 32.9%



February 12, 2008

1 increase, he's recommending a 10% reduction. And you will see similar things like that
2 across the agencies.

3
4 Council President Knapp,
5 Question on that.

6
7 Glenn Orlin,
8 If you want questions, yeah please.

9
10 Council President Knapp,
11 However you want to, do you want to walk us through it?

12
13 Glenn Orlin,
14 Either way.

15
16 Council President Knapp,
17 Okay. We'll go ahead and do some questions. Councilmember Floreen.

18
19 Councilmember Floreen,
20 I just wanted to ask, on that chart on table two.

21
22 Glenn Orlin,
23 Um hum.

24
25 Councilmember Floreen,
26 When you say percent change in the budget, you are saying it is the percent change
27 over the last CIP?

28
29 Glenn Orlin,
30 Correct.

31
32 Councilmember Floreen,
33 So.

34
35 Glenn Orlin,
36 It's a six-year total to a six-year total.

37
38 Councilmember Floreen,
39 Okay. So, schools are up 17.4% over the last approved CIP.

40
41 Glenn Orlin, Right.

42
43 Councilmember Floreen,
44 Does that include all the supplementals and the like?



February 12, 2008

1
2 Glenn Orlin,
3 No, it's the increase over what was approved last May.

4
5 Councilmember Floreen,
6 Last May.

7
8 Glenn Orlin,
9 So, we're going from May to May.

10
11 Councilmember Floreen,
12 Okay. Fair enough. Okay. And, okay.

13
14 Glenn Orlin,
15 Or in this case, May to January, but.

16
17 Councilmember Floreen,
18 Alright. Thanks.

19
20 Council President Knapp,
21 Does, just going through what I've seen in the CIP, the methodology that is used by
22 County Government for what it schedules within the CIP is somewhat different than how
23 the schools does its scheduling, is it not?

24
25 Glenn Orlin,
26 Yes.

27
28 Council President Knapp,
29 Result in some of that disparity.

30
31 Glenn Orlin,
32 Yes.

33
34 Council President Knapp,
35 Or most of that disparity.

36
37 Glenn Orlin,
38 Yeah, typically a school project, you don't see just the money for design, if it's a large
39 school project, you can see design and then no construction. You will see it all. You'll
40 see design, land acquisition, construction, all will be on the PDF. For County
41 Government projects, typically the building projects like libraries, Judicial Center Annex,
42 some other buildings, you will typically see just design funds to a certain point, and then,
43 once the project is further along, then you will see, in later years, the addition of
44 construction land acquisition costs. However, it is still important to note the difference



February 12, 2008

1 because if the money is not available by the time you get around to wanting to add that,
2 then it is not going to be available and you can't program it. So, a bird in the bush is
3 more than one in the hand or whatever it was.

4
5 Council President Knapp,
6 But effectively, you have got a fairly large tail associated with a number of the County
7 projects.

8
9 Glenn Orlin,
10 Yes.

11
12 Council President Knapp,
13 If they come through to fruition. If we get through planning and design and actually want
14 to try to schedule them, there is a lot of money potentially in the out years that is not
15 reflected here.

16
17 Glenn Orlin,
18 That's right. One of the reasons why you have a relatively large capital reserve for GO
19 Bonds is for projects like this which are going through facility planning or the first part of
20 design, but you know by the latter part of the CIP period, they are going to be coming in
21 for construction funds. However, that, at the same time, agencies like the school system
22 will also be coming in asking for more projects as well. So it's that kind of a competition
23 that is going on.

24
25 Council President Knapp,
26 Councilmember Berliner and then Councilmember Elrich. Sorry.

27
28 Councilmember Berliner,
29 Dr. Orlin, is it true that basically the agencies, for example, my only familiarity thus far
30 with this is the libraries that our committee looked at the other day, and in that context
31 that was a certain unreality associated with their numbers, if you will. And I understand
32 that the Parks Department, for example, would not have put forth numbers like that. So
33 there seems to be a different ethic, if you will, as to how agencies approach the CIP,
34 what level of specificity they put in, when they are still uncertain as to the exact nature
35 of the project that they are going to be going forward with. Is that a fair characterization
36 or could you help me sort through what appears to be a disparity in how agencies
37 approach this exercise and what our response should be with respect to that?

38
39 Glenn Orlin,
40 I guess what bothers me about commenting about the libraries is, I'm not familiar with
41 exactly what happened with the library projects. All of them, each probably have their
42 own individual story.

43
44 Councilmember Berliner,



February 12, 2008

1 Assume they all have, as the Chairman pointed out, they all have compelling stories
2 that make these things very uncertain.

3
4 Glenn Orlin,
5 But what I was going to say was, there may have been a point, for example, library A
6 had a definable scope.

7
8 Councilmember Berliner,
9 Right.

10
11 Glenn Orlin,
12 And the project was put in the CIP with design and construction funds, and now there is
13 dissatisfaction and they are revisiting the scope.

14
15 Councilmember Berliner,
16 Yes.

17
18 Glenn Orlin,
19 In a case like that, I'd, you know, my recommendation, it's easy for me to say, I'm not an
20 elected official, is take the construction projects right out of that project. And keep it only
21 in design until you know what you're doing. And then when you have a cost, you know
22 what the scope is, then program it. That's easy for me to say. And we will get to that
23 later. I think there is different practices, like I said, the school system, they do tend to
24 put all of the money in for different projects, but on the other hand, you think of schools,
25 most schools are, I would not call them cookie cutter, but they're not that different from
26 school to school. It is not that difficult to project the cost of a particular school compared
27 to maybe a rec center or a library where everyone is different because of different
28 service areas, different sizes, different community needs, and certainly, a road project,
29 there's no way you can say, well, here's a typical road. So to that extent, I think the
30 schools has a better justification for being able to put out a number earlier on, because
31 they are probably going to be pretty close to what they have.

32
33 Councilmember Berliner,
34 Thank you.

35
36 Council President Knapp,
37 Councilmember Elrich.

38
39 Councilmember Elrich,
40 So, in the recent week or two, there has a lot of discussion about the Rockville Core
41 Project and a few other massive capital projects, how does that thinking, I mean, I don't
42 see any of that reflected in here and these are things that people envision or are talking
43 about doing within the timeframe that this represents. So, when do we have to start
44 seriously.



February 12, 2008

Council President Knapp,
The Training Academy.

Councilmember Elrich,
Say, Training Academy, yeah, so when do we have to start thinking about and accounting for the things that everybody is talking about?

Glenn Orlin,
There are a couple questions in there, but let me just sort of try to answer them, but no, they're good questions. First of all, particularly, when it comes to like the Rockville Core or the PSTA and all of that, someone is going to have to come forward at some point and say here's what I think we should be doing with dollars. That has not happened yet on either. That doesn't have to come from somewhere else, it could come from right here if that's what you want. But, it has to come from somewhere. It doesn't appear out of the ether. The, what I would say for a project like that is, since it's still, they're fairly ill formed, you need to have a good bit of design money programmed first and carry that for a couple of years and at that point, really figure out what it is exactly that you are doing and then go forward. I have seen some of the thoughts for the Rockville Core, and yes, it is possible to do all that within the six-year period. On the other hand, major, major efforts like that typically don't get all done within a five or six-year period. Not because they can't. It's just that the money is not going to be there. There are just too many other competing things that you're going to want to do and so, you'll probably do it in pieces over a period of time.

Councilmember Elrich,
Could I just say that, I'm just concerned because, assuming that what's in there already are things that people have thought about and think are priorities, this other stuff is such a large scope that I don't see how we avoid thinking about that in terms of priorities. Why plan something here that is going to get bumped subsequent if we decide that this other project is a bigger priority? I mean, I feel like we could just be burning money for no apparent reason.

Glenn Orlin,
Well, I can't disagree and the difficulty of the Rockville Core issue is that it also integrally linked with the Judicial Center Annex project, which is there. There is money in the CIP for design of that, and even some construction funds, although not nearly enough to actually build the thing. So, yeah, I think this is something we have to get our hands around and we should in the next few weeks.

Councilmember Elrich,
Okay.

Council President Knapp,



February 12, 2008

1 Councilmember Floreen.

2
3 Councilmember Floreen,

4 This is a question, I guess I should have asked you this a long time ago, but, I mean,
5 one of the challenges in how we approach the CIP, it seems to me, is the issue of
6 facility planning which we just talked about, vis-à-vis the actual, how you fund the
7 project. And a lot of that has to do with the source of funds, in terms of what we can
8 afford, whether we pay for it with current revenue, or pay for it with general obligation
9 bonds. And have we looked at how we do this vis-à-vis, do we have, is our approach
10 the same, I'm looking at Joe Lavorna now, as the school systems in how we plan and
11 then allocate funding dollars?

12
13 Glenn Orlin,

14 I think this was in your question before, the first part of that having to do with facility
15 planning. Several years ago, we regularized facility planning across the agencies.

16
17 Councilmember Floreen,

18 Well, we said we did.

19
20 Glenn Orlin,

21 The point of saying that facility planning for every agency is paid for with current
22 revenue.

23
24 Councilmember Floreen,

25 Current revenue.

26
27 Glenn Orlin,

28 And it has to be because while you're in facility planning, you don't know if you are
29 going to have an asset at the end of the day.

30
31 Council President Knapp,

32 Right.

33
34 Councilmember Floreen,

35 Right.

36
37 Glenn Orlin,

38 You could, you want, you need to preserve the option of saying, no, we're not going to
39 do it. And you can't, you don't want to issue bonds for something, for an asset that
40 doesn't exist. There is one exception, which is facility planning for bridges is done with
41 bonds, because they always end up with projects, but that's a different story we can get
42 to. But every other kind of project is done with current.

43
44 Council President Knapp,



February 12, 2008

1 We've regularized that across.

2
3 Glenn Orlin,

4 Yes. We did that about ten years ago. Yeah. Schools, County Government,
5 transportation.

6
7 Councilmember Floreen,
8 Everybody pays for it that way.

9
10 Glenn Orlin,
11 The college.

12
13 Councilmember Floreen,

14 But, in terms of how we allocate dollars in the later years, which is sort of Marc's point
15 and one that we've tried to regularize but I'm not sure that we have. What have we,
16 have we regularized the issue of dollars set aside for projects that are in project
17 planning?

18
19 Glenn Orlin,

20 All we have is a set aside in a certain amount for each of the years. As you go out
21 further, they're bigger. They're not dedicated to specific projects. It is just there for
22 whatever happens to come first. Some of what comes first isn't even a new project, it's
23 just costs on existing projects going up. Right? Some of it is for projects or efforts which
24 something just suddenly comes up out of nowhere that isn't really a capital project like a
25 library or school or a police station, but it's something that you want to put capital money
26 into because the opportunity is so good, so you want to have something in reserve for
27 that. And the third thing is what you just talked about, which is a placeholder for
28 construction and right-of-way acquisition for projects that are going through facility
29 planning. And we did an analysis of this for the MFP Committee a few years ago. The
30 amount of projects that are in facility planning or design, If you were to calculate what
31 their likely costs are and what likelihood, what portion of those projects would be built
32 within the remainder of the six years, the amount of reserve that we have is nowhere
33 near enough, nowhere near enough.

34
35 Councilmember Floreen,
36 Um hum.

37
38 Glenn Orlin,

39 Or by order of magnitude, it's off by a factor of two or three.

40
41 Councilmember Floreen,

42 Really? And, is, does the school, is the school system using a similar approach in terms
43 of how we are funding its projects in the long term?



February 12, 2008

1 Glenn Orlin,
2 Well, the school system, again.

3
4 Councilmember Floreen,
5 I mean, they have probably specific.

6
7 Glenn Orlin,
8 It's one CIP.

9
10 Councilmember Floreen,
11 Yeah.

12
13 Glenn Orlin,
14 With the Council approving everything, so the school system sends over its request, like
15 all agencies do, saying, we'd like to have these school additions, modernizations, et
16 cetera, built in these particular years. There is no school system reserve. If that's what
17 you mean.

18
19 Councilmember Floreen,
20 So it is all part of the same issue?

21
22 Glenn Orlin,
23 It's all part of the same CIP. Their CIP, like most CIPs, tend to be front loaded, in other
24 words, they have more money requested and ultimately gotten in the first three, four
25 years, first three years of the CIP than the last three. The modernization program tends
26 to be a pretty level program over the 6 years, but particularly when you look at additions
27 and new schools, they tend to be more towards the front. And that's actually true with all
28 the agencies.

29
30 Councilmember Floreen,
31 So, we are treating them in the same fashion.

32
33 Glenn Orlin,
34 Oh, I think so.

35
36 Councilmember Floreen,
37 They're all treated in the same fashion. That was really my question.

38
39 Glenn Orlin,
40 I think the main difference is what Mr. Knapp referred to earlier, which is that school
41 projects almost always are fully formed in the CIP, in terms of not just design but land
42 acquisition and construction. Many County, particularly buildings projects are not.

43
44 Council President Knapp,



February 12, 2008

1 And that's something we did what, two, the last CIP.

2
3 Councilmember Floreen,
4 It seems to me we did it a couple of years ago.

5
6 Council President Knapp,
7 This is a big modification that the County Executive, the previous County Executive had
8 sent over to regularize their process, if I remember correctly, to just send over those
9 things in facility planning and not necessarily have the dollars in the out years.

10
11 Glenn Orlin,
12 Well, let's use the word design.

13
14 Council President Knapp,
15 Yeah.

16
17 Glenn Orlin,
18 Design, if you could. Yes, they were burned, frankly, by all of the overtime, all the
19 situations where a building project, again a library, police station, whatever, went into
20 the CIP with a certain cost and it just ballooned in cost. Hence, they said we are not
21 going to do that anymore, we're going to want to fund a large part of the design cost, 70,
22 80% of the design, and then once that is done we will come forward with the full PDF
23 with construction funds.

24
25 Council President Knapp,
26 That's kind of the issue we just touched on with the roads project before, that the more
27 planning you've actually done on the front end, the better we can estimate the costs on
28 the back end.

29
30 Glenn Orlin,
31 We're hitting several of the thoughts in here which is in good. I would almost rather do it
32 this way than going through, because it's obviously answering questions you want, but
33 let me answer that point that you made earlier Mr. Knapp when Edgar responded. On
34 those projects, when they're building projects and you just see the design money, last
35 year in the CIP, and I believe in the year before, there was text, not in the expenditure
36 schedule, but text which said the cost of this project is likely to be between X and Y and
37 Edgar said, that's what we have been doing. And it has what we've been doing. It
38 doesn't appear in the recommended CIP this year though.

39
40 Councilmember Floreen,
41 Oh.

42
43 Glenn Orlin,



February 12, 2008

1 So, we don't see those text anymore and we believe that's something that really should
2 be added. Because that was, if you're not going, we need to at least tell people within
3 some bounds what we think the costs are going to be.

4
5 Council President Knapp,
6 Sure.

7
8 Glenn Orlin,
9 So, that's one of the recommendations we are going to be making to you as we go
10 through the PDFs, particularly again, on building projects. That where it mostly comes
11 in.

12
13 Council President Knapp,
14 Councilmember Berliner.

15
16 Councilmember Berliner,
17 Thank you Council President. Dr. Orlin, I appreciate this giving us a framework for
18 entering into this process. I'm having a little difficulty in reconciling the conversation that
19 you engage in on page three of the document with your bottom line recommendations
20 as I perceive them on page seven insofar as I, and I know a number of my colleagues
21 are struggling in a CIP constrained environment, there are certain thing that my
22 colleagues and I have committed to with respect to community centers that didn't make
23 its way into the County Executive's budget and that I and my colleagues will be trying to
24 find ways to get them in. On the one hand, you suggest to us, as I read this, that, you
25 know, he's been fairly conservative with respect to his revenue numbers at the bottom
26 of page three and that you could tweak those numbers just a bit and add something on
27 the order of \$40 million. On the other hand, on the top of page seven, you say to us, you
28 know don't add too much and if you add something take something out. So, help me
29 here.

30
31 Glenn Orlin,
32 Both true.

33
34 Councilmember Berliner,
35 Both true, there it is.

36
37 Glenn Orlin,
38 On the revenue side, what happened on the transportation impact tax is, that Executive
39 Branch, when they went through the projects that they wanted to fund, they saw that
40 they could only use about \$65 million of transportation impact tax revenue for those
41 projects because there is certain restrictions on the use of that money. However, if you
42 can find other projects that you'd like to have in the CIP that are ready, there is another
43 40 million or so on the table that you could use.



February 12, 2008

1 Councilmember Berliner,
2 Say that again.

3
4 Glenn Orlin,
5 There is another \$40 million that you could use. It's all in years two through six, there's
6 nothing in year one, but there, and most of it's actually in the latter part, the latter three
7 years, but there is money there. The other major difference in revenue sources in terms
8 of his recommendations, is his reduction in current revenue in the CIP. He's
9 recommending about \$100 million less than what had been in the last CIP. Well, think
10 about this, the current revenue is current revenue. It is the same money that pays for
11 the operating budget. And so, what he's trying to say here, I believe, if not explicitly, it's
12 implicitly, which is, we have to figure out a way of rationing down our demands on cash
13 in the CIP because we are going to need it for the operating budget and we don't want
14 to raise taxes too much. So, that's, I think, the rationale for it.

15
16 Councilmember Berliner,
17 So, do I understand you correctly that he's basically taking 100 million out of the CIP
18 dollars and going to try and plug in a operating budget deficit.

19
20 Glenn Orlin,
21 Operating, not for '09, but it's a future, talking about maybe fiscal years '11, '12, '13,
22 looking down the road several years which is what the public service program, which
23 the six-year operating budget does. He's looking in the long term which is a good thing
24 for all of us to do. All I'm saying is that, If you believe that the current situation is one
25 that's really only going to last, the situation, and the economic situation, revenue
26 situation for the County, is something that's going to last really for this next year, maybe
27 the year after, then you don't maybe need to cut as much in those later years in the
28 current revenue than the Executive has. But it really comes back to your own priorities
29 and what your own belief about the future is. I just want to point that out to you. I'm not
30 saying one is right and one is wrong. It is an option. Current revenue can be used for
31 almost anything. It's cash. It can be used for a project that's, could be paid for with
32 bonds. It could be used for almost, really almost anything in the CIP. It's a very flexible
33 piece of revenue. Why don't I try to hit some of the other points and as other things
34 occur to you, please jump in and ask. On the bottom of the page two, what I was trying
35 to get at here was, because of the differences amongst the agencies, some of this just
36 sort of gets clouded by what you hear in public hearings or what you get in letters and
37 it's good to sort of sit back and look at what the numbers are saying. For example, last
38 night, Wednesday night I heard the public hearing testimony from the school system,
39 from the school advocates bemoaning the fact that the Executive has recommended a
40 cut of \$75 million from their program, and in fact, it's actually a bigger cut than that in
41 the real years of the CIP, they call them the real years, years two through four, which
42 are when most of the projects are happening. It's actually \$112 million cut, but it's not
43 really a cut. It is less than what the school system is recommending. If you see what the
44 Executive is actually recommending compared, the only thing he should really compare



February 12, 2008

1 to, in my mind, which is the approved CIP last year. It is actually a 17.4% increase. It is
2 a \$210 million increase where all of the agencies combined, all of the other agencies
3 combined, is a reduction of 174 million. So, that's where you get the Executive's net
4 increase of about \$40 million. Now, that may be where your priorities are and maybe it's
5 even more in that direction, but you need to understand sort of where the money is
6 going here.

7
8 Council President Knapp,
9 Councilmember Floreen, then Councilmember Elrich.

10
11 Councilmember Floreen,
12 Well, it wasn't, were you, did you want on that subject?

13
14 Council President Knapp,
15 Okay. Go ahead.

16
17 Councilmember Floreen,
18 Go ahead – for that.

19
20 Councilmember Elrich,
21 So, I have a problem when we abstract everything simply to dollars and, you know, you
22 are spending more, this is more, this is less, this is actually less than more, I mean, all
23 of the different ways that you said it.

24
25 Glenn Orlin,
26 Yeah.

27
28 Councilmember Elrich,
29 Depending on what you're comparing it to.

30
31 Glenn Orlin,
32 Right.

33
34 Councilmember Elrich,
35 But, the real question is, what are we going to do with the money?

36
37 Glenn Orlin,
38 Right.

39
40 Councilmember Elrich,
41 I mean, so hypothetically, you could spend more money and do less projects.

42
43 Glenn Orlin,
44 Right.



February 12, 2008

1
2 Councilmember Elrich,
3 And, you know, what we hear about the cost of construction and everything else
4 continues to bear out, there is the reality we may do less with more money. And I think
5 that, one of the questions that the community is interested in, is not just how many
6 dollars you spent, but what did you do with the dollars that you spent? And are we
7 actually getting less done than we got before? And most of my concern is both at the
8 dollar level, but how does this translate into what people are actually going to see
9 accomplished?

10
11 Glenn Orlin,
12 Right.

13
14 Councilmember Elrich,
15 And so, where do we sit with those things?

16
17 Glenn Orlin,
18 Well, I cannot comment onto which projects are going forward and which are not. But I
19 mean, all I'm really trying to point out with this is that, a lot of folks look at the budget,
20 not in terms of like, is this particular school modernization more important than this
21 police station? They are looking at, what is the school system going to get, versus what
22 is the college going to get, versus what is the County Government going to get, and
23 Park and Planning is going to get? And this tells that story. Because they all have needs
24 as pointed out.

25
26 Councilmember Elrich,
27 Right.

28
29 Glenn Orlin,
30 You know, you, you know, your taskforce pointed out earlier in the year that the County
31 Government, for example, has unbelievable needs and you took a small step in that
32 direction, but that was more than swallowing up by, and at least if you go with the
33 Executive's recommendations, by the amount that he has dropped the
34 recommendations for funding there.

35
36 Council President Knapp,
37 But it also talks, I think, to Marc's point. It's still, we're still only talking in dollars as
38 opposed to looking at projects on the ground which I think gets to the, you know, we
39 have heard earlier today about, you know, it is taking two years longer and twice as
40 much money.

41
42 Councilmember Elrich
43 Right.



February 12, 2008

1 Councilmember Elrich,

2 There are budget things that come into play with all this, but I guess, one of my
3 concerns is, I mean, we're not just spending the money but hopefully we are informing
4 the public and shaping a discussion.

5
6 Glenn Orlin,
7 Of course.

8
9 Councilmember Elrich,

10 And so, to the extent that it only stays in dollars and people say, well this department
11 got this much of an increase, and this department got this much of a cut, then it really
12 doesn't reflect the true picture of what we are doing and it would be, I think it is helpful
13 for people to understand that cuts or increases are reflected in, or possibly not reflected
14 in, actual projects. So, they can see what is actually, what they are going to experience
15 as a result of our budget decisions. I hate to simplify this thing for people in terms of,
16 you know, these people got more than the average County increase, therefore, they
17 were well rewarded, they're better or we like them more. That may not be the case at
18 all.

19
20 Glenn Orlin,

21 Well, one point I want to make sure you understand is that when we say that an agency
22 has got a reduction here, or a proposed reduction of a certain amount, it is not that
23 money is necessarily being taken out of existing projects. It's because the projects that
24 you're graduating out of the CIP, that are no longer in because they were finished by
25 '08. There's more of that going out than new projects going in. And that's with the
26 results of the negatives.

27
28 Council President Knapp,
29 If a department had a big project that has been done and funded.

30
31 Glenn Orlin,
32 Right.

33
34 Council President Knapp,
35 Then they may show a great decline, but that's because the big project is done.

36
37 Councilmember Elrich,
38 Right.

39
40 Glenn Orlin,
41 That's fine.

42
43 Councilmember Floreen,



February 12, 2008

1 Well, it depends on how you look at it. I mean, well it is, because it's a question, I mean,
2 this is about priority.

3
4 Council President Knapp,
5 Right.

6
7 Councilmember Floreen,
8 And if you don't have a project to fill in to catch that gap, that agency or department is
9 doing to continually be unable, if it has capital projects, and operating, whatever, it's
10 going to be continually in that category. Every so often you have a bump in a particular
11 activity.

12
13 Councilmember Elrich
14 Right.

15
16 Councilmember Floreen,
17 Some are more capital intensive than others, particularly like transportation, which is
18 stuck, by and large, operating certainly for buses and the like, but a lot of hard capital
19 stuff. And that is a challenge and that brings me to my point and Roger was alluding to
20 it. Do you really believe the Department of Finance's forecast of transportation impact
21 tax revenue on page 3 there, that it's going to be 106 million over the next six years?

22
23 Glenn Orlin,
24 I think it is very possible.

25
26 Councilmember Floreen,
27 You think it's possible. Okay. Good that's an, that's good. And then the question is, my
28 question is about the 40 million that is not programmed, is that because it's being held
29 in reserve, conceptually at least, for projects in design or in planning or is it that there
30 aren't projects in planning for them?

31
32 Glenn Orlin,
33 I think I may have mentioned this earlier, when the Executive was putting together the
34 CIP, he only saw \$65 million of what they wanted to fund that you could use the
35 transportation impact tax funds for.

36
37 Councilmember Floreen,
38 So, it's not, so the point is then that there aren't, they're not reserving dollars for
39 construction in later years.

40
41 Glenn Orlin,
42 They are not explicitly reserving it. By not using it effectively, it is reserved, unless,
43 again, you decide differently, you might have some other projects you want to.



February 12, 2008

1 Councilmember Floreen,
2 Well, I mean, this is an important point and since we have our Committee meeting on
3 Thursday, we'll expect from you a list spending \$40 million of projects.

4
5 Glenn Orlin,
6 I do have a recommendation there for part of it.

7
8 Councilmember Floreen,
9 Pardon me?

10
11 Glenn Orlin,
12 I do have a recommendation in there for part of it, you will see it tonight.

13
14 Councilmember Floreen,
15 Okay. And I would think so, I can imagine as well, but, those are dollars that our, I
16 mean, you can't spend them on anything else.

17
18 Council President Knapp,
19 Right.

20
21 Glenn Orlin,
22 Right.

23
24 Council President Knapp,
25 A lot of them of course have gone through facility planning.

26
27 Councilmember Floreen,
28 Well, that's the challenge. So, projects that that need to go into facility planning if they're
29 not there already or should we evaluate our position so far on cost sharing with the state
30 on some of the big ticket items where, what is the, the state says 72% of the vehicle
31 miles traveled in the state are on state roads. So that's where our biggest challenges
32 are. So that will be a conversation for Thursday, I guess.

33
34 Glenn Orlin,
35 Yeah.

36
37 Councilmember Floreen,
38 But I wanted to highlight that because those dollars are, we can't use them on state
39 roads? Can we? Transportation impact.

40
41 Glenn Orlin,
42 No. We cannot.

43
44 Councilmember Floreen,



February 12, 2008

1 Unless we change the rules.

2
3 Glenn Orlin,

4 Well, you can to the extent that there is part of a state project is actually improvement to
5 a County road.

6
7 Councilmember Floreen,
8 Yeah.

9
10 Glenn Orlin,
11 We are not going to do this, but for example, the Georgia Avenue/Randolph
12 Interchange, Randolph Road is a County Road.

13
14 Councilmember Floreen,
15 Right.

16
17 Glenn Orlin,
18 To the extent that if we had wanted to cost share there using some impact taxes, we
19 probably could have.

20
21 Councilmember Floreen,
22 Okay, so we'll get into that in more detail on Thursday, but.

23
24 Glenn Orlin,
25 Right.

26
27 Councilmember Floreen,
28 Since we started, I wanted to sort of go, complete the circle on that.

29
30 Council President Knapp,
31 So, if we could run through and wrap up in the next five minutes or so.

32
33 Glenn Orlin,
34 Sure. Let me just hit the points. On page 4, item number 4, I just want to highlight
35 something for you that you may note. There is a dilemma this year, it appears we're
36 having another year where we're having a low implementation rate across agencies.
37 And the problem with this is that, if in fact we were to show expenditures as when they
38 were going to be actually spent, then a lot of the money that we had programmed in
39 FY07 and particularly '08 would be showing now instead of '09 and '10. That would be
40 true. That's truth. On the other hand, you pay to spend affordability price for those back
41 in '07 and '08 and by pushing to '09 and '10, then you are sort of paying yourself twice,
42 in terms of against that spending affordability target. So what the Executive Branch did
43 in putting together the CIP, there are a lot of projects where money that had been
44 planned to be spent in '07 or '08 are still showing as having been spent by the end of



February 12, 2008

1 '08 and not slipping in '09, when in fact, it is really going to get spent in '09 or '10. So,
2 and the reason why I'm highlighting this is, because you might look at a PDF and say,
3 oh, this project is going to get finished by May or June. No. Sometimes yes, sometimes,
4 I give an example of the Shady Grove Access Bike Path. It's actually, its actual
5 schedule is a year later than what the PDF would suggest. I don't know a way out of the
6 dilemma. It's a perfectly good rationale as to why the Executive did what he did. I think
7 we need to come up with a better mousetrap next time, but the best that I can suggest
8 here is two things, one, at reconciliation, to the extent we can resolve some of these,
9 we'll try to do that, but we probably, in fact, I know we can't do all of it, it's just too large
10 a problem. The cases where we can't resolve it, there probably ought to be a note on
11 the PDF saying that the scheduled completion for this project is, you know, summer of
12 2010 or something, just so there's somewhere in the PDF where we're telling the public
13 what we really think. We talked about number five. Number six, this follows up a little bit
14 from the discussion about facility planning in the last presentation. It used to be the
15 problem was that routinely projects would get in the CIP before facility planning was
16 done, but because of the fact that agencies have been burned by big cost estimates,
17 sort of the bureaucratic bent is, let's not put it in the CIP until it's, we really know exactly
18 what we're going to do and let's get through a lot of the design, if not most of the design,
19 and we've seen this actually on some road projects. That's better in terms of coming up
20 with an accurate cost estimate. But, it is bad for three other reasons. One is, that it
21 really boxes you into a corner on funding the project. If you have to spend big money on
22 design, and a lot of this is big money, you are going to be less likely to be in a position
23 to turn the project down after you spent that money on design.

24
25 Unidentified
26 Right.

27
28 Glenn Orlin,
29 Two, if you wait until design is done to fund construction, then you'll need to fund
30 construction in the very next year. And one thing you'll learn very quickly if you follow
31 this, if you try to fund something big in the next year of the CIP, you are going to find it
32 almost impossible to do, because it's being crowded out by other projects which are
33 either under construction or level of effort projects that you wouldn't want to touch. And
34 there's a third reason too, which is that, once you have done a lot of design, you might
35 say, oh, gee, there's all kinds of problems here, let's change the scope. Well, now you
36 are talking about major money redesigning it and major delays again. So, I guess what
37 I'm, what I'm encouraging to do is, on road projects, it's pretty clear. Once it has gone
38 through facility planning phase 2, that project is ready to fund for land acquisition, I'm
39 sorry, for design, land acquisition, and construction. Your cost estimate that you're
40 going to get at the end of that phase is pretty good, it's not as good as it could be as far
41 as design, but you don't have these other problems that I just mentioned. For building
42 projects it's a little more difficult because, as Bruce Johnson mentioned, you can't just
43 take it through a POR stage, that tells you almost nothing about what the cost is. You do
44 need to take it into some level of design. But once you've gotten to that some level, at



February 12, 2008

1 that point, you should make it a up and down or sideways decision. Put it in the CIP and
2 put the whole thing in. Don't sort of Mickey Mouse it in by laying a little bit here, a little
3 bit there. You need to put the whole thing in. Yes absolutely.

4
5 Council President Knapp,
6 Alright.

7
8 Glenn Orlin,
9 Projects eligible for funding, because a project's gone through facility planning doesn't
10 mean it's in the recommended CIP. There are several projects that were not ready
11 when the Executive put together his CIP back in the spring, or sorry, back in the fall, but
12 they actually are ready now. And then are some other projects that were actually even
13 ready then, which the Executive has chosen, for good reason on his part, not to
14 recommend. Our position here at the Council has always been to bring you all of those
15 projects, whether they are recommended or not, and then you decide whether or not
16 you're going to put them in. And there is history that you put in some of them and history
17 that you not put in some of them. But, in the end it is your decision on all of these things,
18 so you will see those.

19
20 Council President Knapp,
21 I think we're out of time.

22
23 Glenn Orlin,
24 And then finally, the part eight is just sort of things you should remember about the CIP,
25 and Mr. Berliner pointed out, one of them about, if you are going to add money, don't
26 always think about just adding money, think about ways that you can actually cut back.
27 We are going to end up roughly in the same place as the Executive, not in terms of the
28 projects, but in terms of the total amount of money because he's within these
29 guidelines. I talk about the difficulty of adding a lot of projects, a lot of money in the first
30 year or two, particularly the first year of the CIP. There is no CIP wish list. We hear this
31 all the time. Someone on the committee says, let's put this on the wish list. There is no
32 such thing. You can't do it with a CIP. The CIP, you're talking about projects which go
33 for several years, if you delay it you are making one year better and another year worse.
34 You're talking about different funding sources. The analogy of it is, it's a Rubik's cube
35 and it's really more like that. It is not a, just a single column list. So, just sort of indicate
36 how strongly you feel about the projects as you hear them and we'll keep that in mind
37 as we do reconciliation. And the last thing I mentioned is, again, the only benchmark I
38 think you should really use is the last CIP. Anybody can make a request. They're made
39 with really good intentions, but, if an agency recommends 10 projects, you end up
40 approving eight, it is not that you cut two. You didn't cut two. You approved 8.

41
42 Council President Knapp,
43 No, and I thank you for that. I thank you for the overview, in particular, I would remind
44 people to go back and look at the last bullets you put on your suggestions because I



February 12, 2008

1 think those are the, probably the most relevant of the three that you put out there, that
2 really, it's up to us to kind of make it and don't think there's a wish list out there, put it all
3 together. And the other thing, since this is the first major CIP for at least four of us, ask
4 a lot of questions. There's going to be, and it's not abundantly straight forward and even
5 for those of us who have done a few of these, it changes, I mean, this is only my third,
6 so I mean we, there's a lot to learn and a lot different that goes from year to year, so ask
7 Dr. Orlin, ask anybody else, and let's try and muddle through this as best as we can.
8 But I appreciate the overview, it think it provides the right context. And so I thank
9 everyone for their participation today. You like Mickey Mouse, that's good. But we are,
10 the Council is adjourned. And I thank my colleagues for their efforts throughout the day
11 and over the course of the last week and a half to get us through a very difficult time.
12